



Naval Facilities Engineering Command

Washington Navy Yard

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APPROVED FOR PUBLIC RELEASE

CONTRACTING MANUAL



**NAVFAC P-68
NOVEMBER 1998**

NAVAL FACILITIES ENGINEERING COMMAND CONTRACTING MANUAL (P-68)

1998 EDITION

FOREWORD

The Naval Facilities Engineering Command Contracting Manual (P-68) provides general guidance to field contracting officers in the execution of their delegated authority. Contracting officers must refer to the Federal Acquisition Regulation (FAR), the Defense Federal Acquisition Regulation Supplement (DFARS), and the Navy Acquisition Procedures Supplement (NAPS) for regulatory guidance.

The P-68 is not a stand-alone document but must be read together with the FAR, DFARS, NAPS and other applicable guidance.

This edition is effective upon receipt and supersedes the October 1996 edition, which should be retained for the administration of contracts awarded prior to the issuance of this manual. This edition of the P-68 supersedes all prior correspondence that relates to NAVFAC contract policy.

Any recommendations for revisions to the P-68 should be forwarded via e-mail to the NAVFAC Performance Measurement and Assistance Program Team at "pmapfdbk@cbcph.navy.mil."

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DCAA Audit Status Report

Labor Enforcement Report

Davis-Bacon Act Wage Determinations Project Report

Claims/Terminations/Disputes Resolution Report

A-E Liability Processing Log

Utility Reports

Minimum Contract Quality Assurance Training (MCQAT) Reports

PART 1

FEDERAL ACQUISITION REGULATIONS SYSTEM

SUBPART 1.1 - PURPOSE, AUTHORITY, ISSUANCE

1.104 Applicability.

The guidance provided by the NAVFAC Contracting Manual (P-68) is for use by all contracting officers exercising authority delegated by Commander, Naval Facilities Engineering Command (COMNAVFACENGCOM).

1.105 Issuance.

1.105-2 Arrangement of regulations.

(b) Numbering.

(i) Text implementing FAR, DFARS, and NAPS will be numbered the same as its FAR counterpart.

(ii) Text supplementing the FAR, DFARS, and NAPS will be numbered the same as its FAR counterpart, with the addition of a number of 100 and up.

(c) (NAPS) References and citations.

(2) A DFARS or NAPS cite in parentheses immediately after the FAR cite means related coverage is contained in the DFARS or NAPS.

SUBPART 1.3 - AGENCY ACQUISITION REGULATIONS

1.304 (DFARS) Agency control and compliance procedures.

(4) Only COMNAVFACENGCOM approved provisions and clauses shall be used in solicitations and contracts. No other provisions or clauses, other than those prescribed by FAR, DFARS or NAPS may be used without obtaining approval from the NAVFAC Acquisition Proponent.

(6) Revisions to the P-68 will be issued through P-68 Acquisition Circulars (PACs) on an as needed basis. When time is of essence, a policy letter will be issued to disseminate revisions to the P-68. These policy letters are effective until superseded by publication of the material in a PAC.

SUBPART 1.6 - CONTRACTING AUTHORITY AND RESPONSIBILITIES

1.601 General.

1.601-90 (NAPS) Department of the Navy authorities and responsibilities.

(1) When it is unclear which agency is responsible for a requirement, the matter shall be resolved at the local level if at all possible. Local decisions should be focused on satisfying customer requirements in the most efficient and economical means possible.

(2) All requests for delegation of NAVFAC contracting authority to other commands shall be forwarded to the NAVFAC Acquisition Proponent and include appropriate comments from the affected EFD/EFA/PWC concerning the requested delegation.

1.601-100 Grant officer authority.

(a) The Commander, NAVFAC, and Director, Acquisition Proponent has been appointed grant officers. Their grant officer authority is limited to providing economic adjustment assistance by entering into cooperative agreements with the local reuse authorities (LRA) for caretaker services at base closure sites under the DoD Base Realignment and Closure Program. NAVFAC, under this authority, can enter into a cooperative agreement with the LRA at base closure sites to perform maintenance functions during the caretaker period (from operational closure to final conveyance).

(b) Completion of an approved course is required prior to appointment as a grant administrator.

(c) Questions concerning grants, cooperative agreements should be directed to the NAVFAC Acquisition Proponent.

1.602 Contracting officers.

1.602-1 Authority.

(1) Unless otherwise noted, the Officer in Charge, Seabee Logistics Center, Port Hueneme, CA shall be equivalent to the Commander/Commanding Officer of an EFD.

(2) EFD Commanders/Commanding Officers shall oversee and monitor the contractual procedures, performance and staffing of

subordinate contracting offices. Procedures and controls necessary for effective oversight shall be established.

(3) Contracting authority is delegated by COMNAVFACENGCOM to the EFD Commander/Commanding Officer. Any or all authority may be redelegated to EFA and PWC Commanding Officers unless restricted by a provision contained in P-68. When the EFD has delegated authority to the EFA or PWC Commanding Officer, then the applicable portions of this manual, which read EFD, shall be read to include EFA and/or PWC as appropriate.

(4) EFD Commanders/ Commanding Officers may authorize, after notification to the NAVFAC Acquisition Proponent, an EFA or PWC Commanding Officer to forward requests for approval or required information directly to NAVFAC.

(5) Unless otherwise prohibited, the EFD/EFA/PWC CCO may designate the deputy CCO to act on their behalf and make any necessary determinations or take any actions that are reserved for the CCO.

1.602-1 (NAPS) Authority.

(1) Each solicitation (RFP or IFB) for a firm fixed-price contract with a total estimated value expected to exceed \$100,000 shall be reviewed by NAVFAC counsel prior to issuance. For firm fixed-price contracts with standard terms, provisions and clauses and with a value not expected to exceed \$5,000,000, the contracting officer may satisfy this requirement by forwarding the standardized provisions and clauses for counsel's review on an annual basis. All solicitation packages for other than firm fixed-price contracts shall be reviewed by Counsel prior to issuance. Each contract file shall contain written documentation indicating the date each solicitation was reviewed and the identity of the legal counsel who performed the review.

(2) Review comments shall be obtained from NAVFAC counsel on all determination and findings, justification and approvals, protests, claims, ratification actions, competitive range determinations, substitution of sureties, alternate payment protections, nonresponsiveness determinations, unacknowledged amendments, bid irregularities, bid mistakes, acceptance of late bids, rejection of all bids, reassignment issues, individual sureties, and

assignment of claims, takeover agreements, novation requests, tax and duty issues.

1.602-1-100 NAVFAC contract clause.

Use the clause at 5252.201-9300, Contracting Officer Authority, in all solicitations/contracts.

1.602-2 (DFARS) Responsibilities.

Following are authorized representatives of the contracting officer designated to assist in the administration or monitoring of a contract:

(1) Ordering Officer.

(i) Contracting officers are authorized to designate in writing individuals as ordering officers for specific actions. The authority of ordering officers shall be stated in the contract or in a letter of appointment.

(ii) Appropriate separation of contractual and technical functions shall be maintained in accordance with NAPS 5203.101-1.

(iii) Oral orders may be used for emergency requirements. They are limited to a maximum of \$10,000 and must be confirmed by issuance of a written Task/Delivery Order on DD Form 1155 within two working days. The contract must identify the individual(s) who have the authority to issue oral orders.

(2) Contracting Officer's Authorized Representative (COAR) for construction contracts.

(i) A contracting officer's authorized representative (COAR):

(A) Shall be appointed in writing by the EFD/EFA CCO. The appointment shall specify the extent and limitations of the COAR's authority to act on behalf of the contracting officer.

(B) Must have completed an approved course and have experience commensurate with the responsibilities to be delegated.

(C) Has the authority to negotiate in-scope changes to the contract up to \$25,000 per modification. The COAR does not have the authority to change contract scope, completion schedule, contract price, or any other terms and conditions of the contract. Finalization of the change is still subject to the approval of the contracting officer.

(ii) Delegation of responsibilities to the COAR does not relieve the contracting officer of oversight responsibilities.

(iii) The EFD/EFA/PWC CCOs shall maintain a list of active COARs.

(3) Contracting Officer's Technical Representative (COTR) and Navy Technical Representative (NTR).

(i) The PCO shall appoint COTRs, Alternate COTRs, or NTRs. The PCO may delegate authority to the ACO to appoint NTRs.

(ii) Only one COTR may be appointed per contract. However, an "Alternate COTR" may be appointed to act in the absence of the COTR.

(iii) The PCO must notify the contractor by letter that the COTR is the technical focal point for the contract and all task/delivery orders. COTRs and NTRs must be notified in writing of their appointments to act on individual contracts.

(iv) COTRs/NTRs must have completed the courses CTC 423 and CTC 466, as applicable, prior to appointment.

(v) The PCO shall monitor COTR performance by annually reviewing at least 1/3 of the records of COTRs.

(vi) COTR/NTR responsibilities:

(A) Coordinate all government technical interface with the contractor, monitor compliance with contract and safety requirements, and take action on technical correspondence including maintenance of file documentation.

(B) Review and verify contractor invoices and supporting documentation to determine the reasonableness of billing.

(C) Alert the contracting officer of any potential performance problems and recommend corrective action.

(D) Monitor government furnished property controls if appointed property administrator.

(E) Evaluate contractor's proposals and assist in the development of the government estimates.

(F) Certify to the contracting/ ordering officer the inspection and acceptance of the services performed.

(G) Prepare evaluation of contractor's performance.

(vii) Unless otherwise identified NTRs may perform all duties assigned to the COTR. However, the assigned COTR remains responsible for the performance of all functions. NTRs do not have the authority to provide any technical direction or clarification directly to the contractor or to approve and accept resulting work without the COTRs approval.

1.602-3 (NAPS) Ratification of unauthorized commitments.

(b) Policy.

(3) Authority to ratify unauthorized commitments is delegated as follows:

Over \$50,000	NAVFAC Acquisition Proponent Director
Up to \$50,000	EFD Commander
Up to \$25,000	EFD CCO

This authority may be redelegated to the EFA/PWC COs up to \$50,000 and the EFA/PWC CCOs up to \$25,000.

1.603 Selection, appointment, and termination of appointment.

1.603-2 (DFARS) Selection.

The minimum qualification requirements for NAVFAC contracting officers are as follows:

LEVEL	EXPERIENCE	EDUCATION	TRAINING	DUTIES
SAP	6 MONTHS	PER DAWIA (1)	CON 237 (2)	Over 25% of time spent performing procurement functions
I	2 YEARS	PER DAWIA (1)	CON 101 CON 104 CON 243 (3) CON 244 (3) CTC 323 (3) CTC 337 (3)	Over 50% of time spent supervising or performing procurement functions

LEVEL	EXPERIENCE	EDUCATION	TRAINING	DUTIES
II	2 YEARS	PER DAWIA (1)	Same as I plus CON 202 CON 204 (4) CON 210	Over 75% of time spent supervising or performing procurement functions
III	4 YEARS	PER DAWIA(1)	Same as II plus CON 301 CON 333	

CON 101 – Basics of Contracting
 CON 104 – Principles of Contract Pricing
 CON 202 – Intermediate Contracting
 CON 204 – Intermediate Contract Pricing
 CON 210 – Government Contract Law
 CON 237 – Simplified Acquisition Procedures
 CON 243 – Architect-Engineering Contracting
 CON 244 – Construction Contracting
 CON 301 – Executive Contracting
 CON 333 – Management for Contracting Supervisors
 CTC 337 - Facilities Support Contracting
 CTC-423 - Environmental Contracting

Notes:

(1) The Defense Acquisition Workforce Improvement Act (DAWIA) requires that before a warrant can be issued above \$25,000, an individual must have either 24 semester credit hours in business or a baccalaureate degree from an accredited university or meet the grandfathering provision.

(2) CON 237 is an assignment-specific course. Whenever practical, acquisition personnel should attend this course prior to performing pre- and post-award contracting functions using simplified acquisition procedures. Successful completion of this course is required prior to obtaining a SAP warrant.

(3) CON 243, CON 244, CTC 337 and CTC 423 are assignment-specific courses. Whenever practical, acquisition personnel should attend these courses prior to being assigned to pre- and post-award contracting functions for architect-engineer, construction and environmental contracts.

(4) CON 204 is not required for persons certified to Level II by 1 Jan 95 or persons already certified at Level III.

1.603-3 Appointment.

(1) Appointing authorities.

(i) COMNAVFACENGCOM, or his designee, will issue SF 1402s, Certificates of Appointment (warrants), to EFD Commanders/Commanding Officers.

(ii) Commanders/Commanding Officers of EFDs, or the EFD CCO will issue warrants to EFA/PWC Commanding Officers and qualified Staff Civil Engineers.

(iii) Authority to issue contracting officer warrants to EFD/EFA/PWC personnel, to OICC personnel, and to personnel of other direct reporting field offices for Levels I through III may be delegated by the EFD Commander/Commanding Officer, and EFA/PWC Commanding Officers, if authorized by the EFD, to the EFD/EFA/PWC CCO. Except for paragraph (iv) below, this authority may not be redelegated.

(iv) The Commander, Pacific Division is authorized to redelegate the authority to non-CONUS OICCs to issue warrants for personnel of their organization.

(v) EFD/EFA/PWC Commanders/Commanding Officers and EFD/EFA/PWC CCOs, without power of redelegation, are authorized to issue limited appointments restricted to micro-purchases only to non-procurement personnel. All appointments shall be in writing and shall clearly establish the terms of the appointment.

(2) Warrants shall indicate the contracting officer's warrant level, the dollar threshold if less than shown below in paragraph (4) and any other limitations imposed.

(3) Appointing authorities shall maintain a file documenting the qualifications of each contracting officer. Such files will be available for Performance Measurement and Assistance Program on-site visits and other oversight reviews.

(4) The three levels of contracting officer authority are shown on the following chart:

CERTIFICATE OF APPOINTMENT (WARRANT LEVELS)				
LEVEL	III	II	I	SAP
Contract Actions Up To	Unlimited	\$5M	\$500K	\$100K

(5) These warrant levels are qualified as follows:

(i) The dollar maximums when executing contracts does not include potential options but does include the annual maximum estimated quantity for indefinite quantity contracts. For purposes of approval thresholds for Business Clearances, the maximums include options.

(ii) Warrant levels are not limited to grade or rank levels. However, an individual must meet the qualification requirements shown in P-68 1.603-2 for their grade and rank before a warrant can be issued.

(iii) The SAP warrant is restricted to those acquisition personnel performing pre- and post-award contracting actions utilizing FAR Part 13 simplified acquisition procedures.

(iv) See P-68 33.9001 for limitations of authority for execution of Final Decisions for claims under the Contracts Disputes Act.

(v) See P-68 39.101 for limitations of authority for procurement of information technology resources.

(vi) Terminations, of any sort, may only be executed by a Level III contracting officer with in house NAVFAC counsel support.

(vii) See P-68 36.602-4 for architect-engineer slate/selection approval thresholds of \$5,000,000 or more.

(viii) Limitations on sole source actions will be as specified on the warrant. See P-68 6.304 for J&A requirements.

1.603-4 Termination.

(1) Appointments of contracting officers under these new warranting provisions remain in effect as long as appointees are assigned to the position stated on the warrant, unless terminated sooner by the appointing officer, his successor, or COMNAVFACENGCOM or his designee.

(2) All appointments made under prior editions of the P-68 remain in effect.

1.690 (NAPS) Requirements to be met before entering into contracts.

(b) (i) EFD Commanders/Commanding Officers shall establish review/approval level for business clearances for contract actions under \$30,000,000.

(ii) Business clearances for contractual actions over \$30,000,000, including the value of all options, must be approved by the NAVFAC Acquisition Proponent. The EFD/EFA/PWC CCO shall sign as "reviewer".

1.691 (NAPS) Procurement Management Oversight.

1.691-2 Responsibilities.

(e) All NAVFAC Performance Measurement and Assistance Program (PMAP) on-site visits shall be scheduled and conducted in accordance with the current NAVFAC PMAP Guide. See P-68 Appendix A for reporting requirements.

(f) (2) EFDs/EFAs shall submit an annual summary of relevant findings (best practices, deficiencies, recommendations, etc.) from the results of the previous fiscal year's PMAP on site visits. See P-68 Appendix A for reporting requirements.

SUBPART 1.7 - DETERMINATIONS AND FINDINGS

1.707 Signature authority.

All D&Fs forwarded to the NAVFAC Acquisition Proponent for signature shall contain an endorsement by the EFD/EFA/PWC CCO.

PART 2

DEFINITIONS OF WORDS AND TERMS SUBPART 2.1 - DEFINITIONS

2.101 Definitions.

ASSISTANT RESIDENT ENGINEER IN CHARGE (AREIC)/ASSISTANT RESIDENT ENGINEER IN CHARGE OF CONTRACTS (AREICC) - A civilian engineer designated by the ROIC/ROICC for the technical oversight of assigned contracts.

ASSISTANT RESIDENT OFFICER IN CHARGE (AROIC)/ASSISTANT RESIDENT OFFICER IN CHARGE OF CONTRACTS (AROICC) - A Civil Engineer Corps officer designated by the ROIC/ROICC for the administration of assigned contracts.

CHIEF OF CONTRACTING OFFICE (CCO) - For EFDs/EFAs/PWCs and NAVFACCO, the Contracts Department Director Head; for field contracts offices, the OIC/OICC/ROICC or equivalent.

HEAD OF THE CONTRACTING ACTIVITY (HCA) - For NAVFACENGCOM, the Commander, NAVFACENGCOM and by delegation, the Director of Acquisition Proponent.

OFFICER IN CHARGE (OIC)/OFFICER IN CHARGE OF CONTRACTS (OICC) - A Civil Engineer Corps officer who has responsibility for the overall management of a field contracts office, including the execution and administration of construction, architect-engineer, engineering services, or facilities support contracts.

PUBLIC WORKS - The management of all activities associated with establishing, maintaining and operating the Navy shore establishment.

RESIDENT OFFICER IN CHARGE (ROIC)/RESIDENT OFFICER IN CHARGE OF CONTRACTS (ROICC) - A Civil Engineer Corps officer who is responsible for the administration of assigned contracts at a field contracts office.

PART 3

IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST

[NO P-68 UNIQUE TEXT]

PART 4

ADMINISTRATIVE MATTERS

SUBPART 4.8 - GOVERNMENT CONTRACT FILES

4.804 Closeout of contract files.

4.804-5 Detailed procedures for closing out contract files.

(1) See P-68 32.1100(e) for closeout procedures for construction and architect-engineer contracts when contractor fails to execute an appropriate release within one year after completion and acceptance.

SUBPART 4.70 - UNIFORM PROCUREMENT INSTRUMENT IDENTIFICATION NUMBERS (DFARS)

4.7003 Basic PII number.

(a) *Elements of a number.*

(i) If a solicitation is canceled, either before or after bid opening, the original solicitation number shall not be used for the resolicitation.

(ii) The same four-digit number will be used for all actions required in connection with one contract, unless this would result in two requirements bearing the same number.

(iii) When multiple awards are made from a single solicitation, a different four-digit number shall be used for additional awards after the initial award.

PART 5

PUBLICIZING CONTRACT ACTIONS SUBPART 5.1 - DISSEMINATION OF INFORMATION

5.101 Methods of disseminating information.

(a) (2) (iii) All solicitations expected to exceed \$25,000, except those exempted by FAR 5.101 (a)(2)(ii), shall be publicly displayed within the contracts office or be available on electronic data interface.

SUBPART 5.2 - SYNOPSES OF PROPOSED CONTRACT ACTIONS

5.204 Presolicitation notices.

Presolicitation notices shall be publicly displayed within the contracts office.

5.205 Special situations.

(d) *Architect-engineering services.*

(i) All unrestricted synopses for architect-engineer services over \$500,000 shall include a notice that any large firms that are short-listed will be required to submit a subcontracting plan prior to being interviewed.

(ii) Each synopses of architect-engineer contracts must be concluded with the statement "Architect-engineer firms which meet the requirements described in this announcement are invited to submit completed SF 254 (unless already on file) and SF 255 to the office shown below. Firms responding to this announcement by (date/time) local time will be considered. Firms having a current SF 254 on file with this office may also be considered. This is not a request for a proposal."

(iii) When a SF 255 is not required, the publicly displayed notice should include the statement: "Architect-engineer firms which meet the requirement described in this announcement are invited to submit completed SF 254 (unless already on file) and a letter of interest. Firms responding to this announcement by (date) will be considered. This is not a request for proposal."

5.207 Preparation and transmittal of synopses.

(c) General format for Item 17, "Description." All unrestricted synopses over \$500,000 for services and \$1M for construction shall include a notice to large firms that a subcontracting plan is required prior to award.

(d) *Set-asides.* All set-aside and potential set-aside synopses must include the SIC Code and size standard.

SUBPART 5.5 - PAID ADVERTISEMENTS

5.502 (DFARS) Authority.

(a) (i) An EFD/EFA/PWC CCO may approve paid advertising in newspapers. This authority is not delegable.

PART 6

COMPETITION REQUIREMENTS SUBPART 6.3 - OTHER THAN FULL AND OPEN COMPETITION

6.304 Approval of the justification.

(a) (2) For actions over \$500,000 but not exceeding \$10,000,000, the EFD/EFA/PWC Commander/Commanding Officer and the CCO for NAVFAC Contracts Office at Pt. Hueneme is the competition advocate. This authority may only be redelegated to the EFD/EFA/PWC CCO.

(3) For actions over \$10,000,000 but not exceeding \$50,000,000, the competition advocate is the NAVFAC Acquisition Proponent Director.

(4) All actions above \$50,000,000 submitted for approval by ASN(RD&A) shall be forwarded via the EFD/EFA/PWC Commanders/Commanding Officers and NAVFAC Acquisition Proponent.

PART 7

ACQUISITION PLANNING

SUBPART 7.1 - ACQUISITION PLANS

7.102 Policy.

(1) Contracting officers shall assure adequate acquisition planning is performed consistent with the character and risks associated with the procurement of each requirement prior to issuing solicitations. Local procedures shall be established to institutionalize the process. As a minimum, the process should address the following:

(i) The adequacy of the requirement description and specification.

(ii) The market availability of the requirement.

(iii) The practicality of the schedule or delivery requirements.

(iv) Technical and/or performance risks associated with the requirement.

(v) Funding limitations.

(vi) The planned strategy to mitigate the risks and constraints identified. This strategy should address

the rationale used to select the procurement method (sealed bid, negotiated, two phase design build, etc.), the contract type (fixed price, cost, cost plus award fee, etc.), the specification type (detailed, performance, proprietary, etc.), the selection criteria (experience, technical proposal, etc.), the quality assurance provisions (special inspections, reports, etc.) or any other aspect of the requirement thought to be a potential problem.

(2) Acquisition planning is a team effort and should involve technical, contractual, program management and customer personnel, all focused on developing the most effective plan for delivery of quality products in the most economical and timely manner possible.

7.103 (DFARS) Agency-head responsibilities.

(c) (i) Written acquisition plans meeting the thresholds delineated in DFARS 207.103 shall be submitted to the NAVFAC Acquisition Proponent for approval.

7.105 Contents of written acquisition plans.

(1) Acquisition plans should be documented commensurate with the complexity of the requirement and signed by all those having an interest in the procurement.

(2) Informal written plans should be retained in contract files for all requirements and more formal detailed strategies should be developed and used for the development of source selection plans for negotiated procurements.

SUBPART 7.4 - EQUIPMENT LEASE OR PURCHASE

7.470 (DFARS) Statutory requirement.

Authority to make the determination at DFARS 207.470 is delegated to the EFD/EFA/PWC Commander/Commanding Officer or the EFD/EFA/PWC CCO without power of redelegation.

PART 8

REQUIRED SOURCES OF SUPPLIES AND SERVICES

SUBPART 8.70 - COORDINATED ACQUISITION

8.7003 (DFARS) Applicability.

8.7003-1 Assignments under integrated materiel management (IMM)

NAVFAC contracting officers are not normally authorized to purchase automotive vehicles, construction equipment, weight handling equipment or other material handling equipment. However, special authority may be obtained on a case-by-case basis for specialty or emergency requirements using the DFARS procedures at this subpart. All requests must be coordinated with the responsible transportation equipment manager, and submitted to the NAVFAC Acquisition Proponent for approval.

PART 9

CONTRACTOR QUALIFICATIONS

SUBPART 9.5 - ORGANIZATIONAL AND CONSULTANT CONFLICTS OF INTEREST

9.507 Solicitation provisions and contract clause.

9.507-2 Contract clause.

(a) Use the clause at 5252.209-9300, Organizational Conflicts of Interest, in all architect-engineer, construction and facilities support services solicitations/contracts.

(b) Use the basic clause with its Alternate I for architect-engineer and construction contracts that involve environmental studies, investigations, design or remedial action.

PART 10

MARKET RESEARCH

10.002 Procedures.

(b) (1) Market research also includes the architect-engineer firm's review of customarily used off-the-shelf building materials, components,

equipment and systems to determine if there is a need for unique technology.

(2) Additional techniques for conducting market research may include any or all of the following:

(A) Obtaining industry comment on standardized specifications;

(B) Prompt periodic update of specifications and standards used by the Government to reflect changes promulgated by industry standards-setting groups;

(C) Continuing discussions with manufacturers and suppliers of construction materials;

(D) Design by most highly qualified architect-engineer firms;

(E) Continuing education requirements for architect-engineers concerning current construction materials and methods;

(F) Customary use of competitive solicitations for same or similar construction; and

(G) Consulting with customer end-users concerning their needs.

PART 11

DESCRIBING AGENCY NEEDS

11.002 Policy.

A contract to be performed in a foreign country should be prepared both in English and in the appropriate foreign language.

SUBPART 11.1 - SELECTING AND DEVELOPING REQUIREMENTS DOCUMENTS

11.104 Items peculiar to one manufacturer.

11.104-100 "Or equal" specifications.

(a) Level III contracting officer written approval is required to use 'or equal' specifications.

(b) A minimum of three manufacturers shall be included in the description followed by the words 'or equal.' The salient characteristics shall be listed in sufficient detail for evaluating acceptability of unlisted products.

11.104-101 Proprietary specifications.

(a) J&A approval in accordance with FAR Part 6 is required to use proprietary specifications. The J&A approval level shall be dictated by the estimated value of the proprietary products. This requirement also applies to specifications prepared by other agencies for projects to be constructed by NAVFAC.

(b) When authorized, the technical specification shall state: 'Notwithstanding any other provision of this contract, no other product will be acceptable.'

SUBPART 11.2 - USING AND MAINTAINING REQUIREMENTS DOCUMENTS

11.201 Identification and availability of specifications.

11.201-100 Construction contracts drawings and specifications.

(a) Persons approving these documents shall be registered professional engineers or architects.

(b) Technical portions of specifications shall not include issues covered by FAR, DFARS, NAPS or P-68 clauses or provisions or exceptions thereto.

11.201-101 Collateral equipment.

If collateral equipment is included in specifications, the matter should be coordinated with and approved by the contracting agency normally responsible for procuring the collateral equipment.

SUBPART 11.4 - DELIVERY OR PERFORMANCE SCHEDULES

11.402 Factors to consider in establishing schedules.

(a) *Supplies or services.*

For facility support contracts, the base performance period and any option performance periods shall not exceed twelve months unless approved by the NAVFAC Acquisition Proponent Director.

(b) *Construction.*

(i) When establishing a completion date for construction contracts requiring performance and/or payment guarantees, a period of 15 days shall be allowed for the mailing of the award and the contractor's submission of the required guarantee.

(ii) Time extensions shall not be deferred until completion of work.

(iii) All time extensions authorized by FAR clause 52.249-10, Default (Fixed-Price Construction) must be justified in writing. The contracting officer may approve extensions less than 60 days. Extensions of 60 days or greater must be approved at one level above the contracting officer.

11.404 Contract clauses.

11.404-100 NAVFAC contract clauses.

Use the clause at 5252.211-9301, Phased Construction Schedule, in all solicitations/contracts for construction that require the use of a phased construction schedule. Use with FAR Clause 52.211-12 and its Alternate I.

SUBPART 11.5 - LIQUIDATED DAMAGES

11.502 Policy.

(1) The amounts indicated in the appropriate table below shall be included in all firm fixed-price

construction contracts exceeding the simplified acquisition threshold. LDs may be included in contracts below the simplified acquisition threshold at the discretion of the contracting officer.

(2) If multiple completion dates are specified, provide LDs for each date. If multiple deliverables are specified, state an LD per day per deliverable. (3)

The amounts shown in the following Tables may be increased or decreased up to 50 percent by a contracting officer's written determination that the Government's anticipated loss from delayed completion is less or greater than these amounts. LD rates exceeding 50 percent of the rates in these Tables require prior approval by the EFD/EFA/PWC CCO. This authority is not delegable.

(4) If Table 2 is used for Change of Occupancy requirements, the contract must state that the LDs rate set forth in P-68 5252.246-9303, Consequences of Contractor's Failure to Perform Required Services does not apply to the work covered by Table 2.

(5) Liquidated damages tables:

Table 1: General Construction Projects	
Project Cost	Estimated Liquidated Damages Per Calendar Day
2,000 - 25,000	80
25,000 - 50,000	110
50,000 - 100,000	140
100,000 - 500,000	200
Each additional \$100,000 - add \$50	
Table 2: Family Housing Units	
Types of Units	Liquidated Damages Calendar Day Per Unit
GOQ (General Officers' Quarters) SOQ (Senior Officers' Quarters) FGO (Field Grade Officers) CGO (Company Grade Officers) SEM (Senior Enlisted Men) JEM (Junior Enlisted Men)	Average daily Basic Allowance (BAQ) with dependents plus average applicable housing allowances or temporary living allowance, as appropriate.

Table 3: Bachelor Housing			
Type of Housing	Rate Per Calendar Day	No. of Men Per Bldg.	Liquidated Damages Calendar Day Per Bldg.
BOQ	BOQ rate for single 03 rate plus single 03 rate for variable housing allowance (VHA) for area.	x _____	= _____
Type of Housing	Rate Per Calendar Day	No. of Men Per Bldg.	Liquidated Damages Calendar Day Per Bldg.
BEQ	BAQ rate for E-5 plus single E-5 rate for variable housing allowance (VHA) for area.	x _____	= _____
Table 4: Storage Space			
LDs Per Calendar Day	Square Feet	LDs Per Square Foot Per Calendar Day	
\$.15	x _____	= _____	
Table 5: Office Space			
LDs Per Calendar Day	Square Feet	LDs Per Square Foot Per Calendar Day	
\$.30	x _____	= _____	

(6) The final voucher shall include either a statement that "The contract was completed within the contract time and no LDs are assessed," or be annotated to show the contract completion date, the actual date of completion, the number of days for which LDs are assessed, the rate per calendar day of LDs and the total amount of LDs assessed by modification for late performance.

(7) LDs shall be assessed by issuance of a unilateral modification.

(8) The contractor shall be notified upon initial withholding of Contract Work Hours and Safety Standards Act (CWHSSA) LDs and again upon the issuance of the final order affirming the assessment of the CWHSSA LDs. LDs for labor violations are assessed in accordance with DFARS 222.302.

PART 12

ACQUISITION OF COMMERCIAL ITEMS

SUBPART 12.1 - ACQUISITION OF COMMERCIAL ITEMS - GENERAL

12.101 Policy.

(1) At the time of issuance, there exist a number of conflicts in the Federal Acquisition Regulations (FAR) between the contents of Part 12 and the contents of Parts 22, 36 and 37 and precedence has not been established. Some provisions of Part 12 are inconsistent with labor laws, contrary to industry practice, and appear to prohibit some well established practices used to procure facilities related requirements. These issues have been brought to the attention of appropriate parties and NAVFAC Headquarters personnel are working to resolve these problems. Until such time as these problems are resolved, it is NAVFAC policy to implement the philosophy of the Federal Acquisition Reform and Streamlining Acts to the maximum degree practical as reflected in the most recent FACs/DACs and NAPS Advance Changes while continuing to use established procedures to satisfy customer requirements.

(2) Questions on individual issues concerning the application of Part 12 to specific requirements should be addressed to the NAVFAC Acquisition Proponent.

SUBPART 12.4 – UNIQUE REQUIREMENTS REGARDING TERMS AND CONDITIONS FOR COMMERCIAL ITEMS

12.404 Warranties.

12.404-100 NAVFAC contract clause.

Use the clause at 5252.212-9300, Commercial Warranty, in solicitations/contracts for commercial supplies or services.

PART 13

SIMPLIFIED ACQUISITION PROCEDURES

SUBPART 13.3 – SIMPLIFIED ACQUISITION METHODS

13.301 Government-wide commercial purchase card.

(1) All micropurchases for services and supplies below \$2500 and \$2000 for construction are to be made by the Government-wide commercial purchase card. A written determination is required by an SES or Flag Officer to use purchase orders or separate contracts for such actions. This authority is hereby delegated to EFD/EFA/PWC CCOs.

(2) A written determination is not required when placing orders under existing contracts such as delivery/task orders for indefinite quantity type contracts, purchases under BPAs, or when issuing contracts or purchase orders that will be performed entirely outside of any state, territory, or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

PART 14

SEALED BIDDING

SUBPART 14.2 - SOLICITATION OF BIDS

14.201 Preparation of invitations for bids.

14.201-100 Bid items.

(a) EFD/EFA/PWC CCO approval, without power of redelegation, is required to use alternate bid items. An alternate bid item is a bid item which may be used in lieu of or as an alternative to another bid item.

(b) Except for (a) above, a combination of additive/deductive or other bidding systems in construction contracts requires approval by a Level III contracting officer.

(c) Level III contracting officer approval is required if over four additive bid items are used (see P-68 36.213-3-70).

(d) The use of the Estimated Total Cost Method in construction contracts requires approval by a Level III contracting officer.

(e) If unit price bid items are used in construction contracts, FAR clause 52.211-18, Variation in Estimated Quantities, must be included in the solicitation.

14.201-6 Solicitation provisions.

14.201-6-100 NAVFAC provisions.

(a) (1) Use the provision at 5252.214-9300, Basis for Award in invitations for bids for facilities support services work. Use with FAR provision 52.214-10, Contract Award.

(2) Use Alternate I with the basic provision when the performance period is less than 12 months.

(3) Use Alternate II for combination firm fixed-price indefinite quantity facility support service contracts when the firm fixed-price portion will satisfy the minimum guarantee.

(b) Use the provision at 5252.214-9301, Notice to Bidders, in all invitations for bids for construction.

14.211 Release of acquisition information.

(b) *After solicitation.*

(i) All inquiries by contractors regarding solicitations shall be directed to the contracts office issuing the solicitation. Following statement shall appear in every solicitation:

'All questions concerning this solicitation shall be addressed to (include name, address and phone number).'

(ii) The contracting officer will maintain a record of all inquiries, including the name of the individual making the inquiry, questions asked and answers given or amendment issued.

SUBPART 14.3 - SUBMISSION OF BIDS

14.304 Late bids, late modifications of bids, or late withdrawal of bids.

14.304-1 General.

If, after bid opening has commenced, a bidder tenders a bid, the bid shall be received and the time of receipt and name of the person delivering the bid noted on the bid envelope. The bid shall be retained, unopened, until a determination to accept or reject the bid is made by a level above the contracting officer after obtaining NAVFAC counsel review comments.

SUBPART 14.4 - OPENING OF BIDS AND AWARD OF CONTRACT

14.402 Opening of bids.

14.402-1 Unclassified bids.

(a) For construction contracts, after all the bids have been read, the Government estimate and the control amount, if applicable, shall then be read.

(b) The contracting officer, and any other persons designated in writing by the CCO for that purpose, is authorized to open bids.

14.404 Rejection of bids.

14.404-1 Cancellation of invitations after opening.

(e) (1) A written determination by a level above the contracting officer is required prior to converting the invitation for bid to a negotiated procurement.

(f) (1) An amendment shall be issued to all responsible bidders stating the authority for the action and the evaluation criteria, and include applicable clauses for negotiated procurements.

14.405 Minor informalities or irregularities in bids.

(d) NAVFAC counsel review is required prior to waiving unacknowledged amendments.

14.407 Mistakes in bids.

14.407-2 Apparent clerical mistakes.

(1) Examples of apparent clerical mistakes correctable by NAVFAC contracting officers before award are:

(i) Obvious misplacement of the decimal point in the amount shown on the face of the bid;

(ii) Simple math errors shown on the face of the bid which when corrected does not result in the displacement of the apparent low bidder; and

(iii) Discrepancies between the unit price and the corresponding extended total, where the unit price prevails rule is applied and the bidder concurs that the error is in the extended total.

(2) A copy of each determination made by the contracting officer to allow correction of clerical errors shall be forwarded to the NAVFAC Acquisition Proponent.

14.407-3 Other mistakes disclosed before award.

(e) (1) (NAPS) The NAVFAC Acquisition Proponent Director, without power of redelegation, will make the determinations required by FAR 14.407-3(a), (b) and (d).

(3) Evidence in support of requests for correction of bids shall be forwarded to the NAVFAC Acquisition Proponent. The package shall contain an analysis and recommendation by the EFD/EFA/PWC CCO as well as bidder's original work sheets, a certification by the bidder that the bid sheets are the originals and the mistake and amount to be corrected are accurate and true to the best of their knowledge and belief, and a legal memorandum by NAVFAC counsel serving the CCO.

(g) (2) Requests for withdrawal of bids must also be accompanied by a declaration from the bidder that, if permitted to withdraw and the work is awarded to another bidder, the withdrawing bidder will not participate in the work through subcontract or otherwise.

SUBPART 14.5 - TWO-STEP SEALED BIDDING

14.502 Conditions for use.

A Level III contracting officer approval is required prior to issuance of solicitation.

PART 15

CONTRACTING BY NEGOTIATION

SUBPART 15.2 - SOLICITATION AND RECEIPT OF PROPOSALS AND INFORMATION

15.209 Solicitation provisions.

15.209-100 NAVFAC provisions.

(a) Use the provision at 5252.215-9300, Content of Proposals, in all RFPs for facilities support services work.

(b) Use the provision at 5252.215-9301, Multiple Proposals, in all RFPs for facilities support and construction that allow for submission of multiple proposals.

(c) Use the provision at 5252.215-9302, Number of Copies/Time of Receipt, in RFPs for construction and facilities support construction when submittal of half size copies and full size set of valid prints is required.

SUBPART 15.3--SOURCE SELECTION

15.303 Responsibilities.

(a) (i) Source selection authority (SSA) is designated as follows:

<u>Value</u>	<u>Source Selection Authority</u>
Up to \$5M	Level II Contracting Officer
\$ 5M to \$15M	Level III Contracting Officer
\$15M to \$50M	EFD/EFA/PWC CCO
Over \$50M	EFD/EFA/PWC 00, 09

(ii) For contracts up to \$15M, a contracting officer operating within their warranted authority may perform the duties of both the SSA and SSB, with a single technical evaluator performing the duties of the TEB. For all other negotiated actions, a formal evaluation group structure shall be used.

(b) (1) (A) Technical Evaluation Board (TEB). The TEB should consist of a minimum of two and maximum of five members. One member of the TEB will be designated as the chairperson and serve as the interface between the TEB and the SSB. The TEB shall

evaluate proposers' technical proposals only, without regard to price, and make the following recommendations to the SSB as necessary:

(1) Rank technical proposals by a written narrative explaining any significant differences. Points, colors, or alphabetical ratings, shall not be used.

(2) Identify strengths, weaknesses and deficiencies in the proposals.

(3) Technical discussion questions for the proposers.

(B) Source Selection Board (SSB). The SSB should consist of a minimum of two and maximum of five members. At least one senior contracting official will serve as a member of the SSB. All SSBs will have NAVFAC counsel assigned as an advisor. The purpose of the SSB is to evaluate the proposers' prices as compared to the technical evaluations of the TEB including subcontracting plans and make the following recommendations to the SSA as necessary:

(1) The need for discussions, and suggested questions if required.

(2) Competitive range determinations.

(3) Selection of the winning proposal.

(2) (A) Prior to issuing a solicitation for competitive negotiations, a Source Selection Plan (SSP), prepared in accordance with the established Acquisition Plan, will be approved by both the SSA and business clearance approval authority. The SSP shall contain the following information:

(1) A short description of the project/procurement to include the rationale as required by FAR 6.401 which underlies the decision to use source selection procedures.

(2) A listing by name of the SSA, members of the SSB (if required), the contracting officer (if different from the SSA), the Chairperson of the TEB, the individual members of the TEB, if required, the small business specialist, the person conducting cost and/or price evaluation, counsel and the contracting officer's staff who will handle this procurement.

(3) A listing of the evaluation factors and weighting which will be used. Any system that makes the weight given to technical factors greater

than price requires prior written approval in accordance with EFD/EFA/PWC procedures.

(4) The rating scheme to be used by the TEB. This rating scheme shall be described in sufficient detail so that the TEB requires no other documentation in conducting their evaluation.

15.308 Source selection decision.

The Source Selection Authority (SSA) is responsible for ensuring that all aspects of the selection process are conducted properly. Based on the input from the Source Selection Board (SSB), the cost and/or price evaluation personnel and Technical Evaluation Board (TEB), the SSA personally determines the successful offeror as documented in the SSA selection decision.

SUBPART 15.4 - CONTRACT PRICING

15.403 Obtaining cost or pricing data.

15.403-100 Procedure requirements.

(a) For negotiations which rely on a contractor's cost or pricing data, the business clearance shall state that the government relied on this data.

(b) For cost contracts, extrapolate costs to the total capacity on best value source selections.

(c) For negotiated contracts, the SF 1411 may be modified by attaching price breakdowns in the form normally used by construction contractors and by architect-engineer firms. Subcontractor prices over \$500,000 must be in the same detail as that required from the prime contractor including use of the appropriate SF 1411.

(d) Where the total amount of a construction contract modification is over \$100,000 but does not exceed \$500,000, the following may be used in lieu of requiring the contractor to submit a detailed breakdown of overhead:

(1) (i) Ten percent of labor, material and equipment estimates in lieu of field overhead,
(ii) Five percent of subcontract estimates,
(iii) Three percent of the total labor, material and equipment estimates and the amount computed by (i) above in lieu of home office overhead or,

(2) The audited rates for that company established by a DCAA audit less than one year old.

(e) No overhead or profit shall be allowed on bond expenses.

(f) When an architect-engineer contract includes reimbursable travel for an architect-engineer firm located outside the commuting distance of the construction site, the contract shall state that the architect-engineer firm will be reimbursed for authorized travel in accordance with government travel regulations. No profit and overhead will be allowed on reimbursable travel expenses contained in an otherwise fixed-price contract.

15.404 Proposal analysis.

15.404-1 Proposal analysis techniques.

(c) *Cost analysis.* When cost analysis is required or when negotiating the basic award of a multi-tasked, architect-engineer IDIQ arrangement (including CLEAN contracts), the contracting officer shall justify labor and indirect rates in terms of average area rates for similar work. Rates in excess of average area rates should be justified in terms of the need of the government.

15.404-4 Profit.

(c) *Contracting officer responsibilities.* Government set predetermined profit rates shall not be used. The profit determination must be structured and supported in the business clearance or price negotiation memorandum.

15.404-71 (DFARS) Weighted guideline method.

15.404-71-2 Performance risk.

(c) *Values: Normal and designated ranges.*

(2) Using the weighted guidelines method, unless different values are determined in writing to be appropriate by a Level III contracting officer, the alternate range of values (4%-8%) should be used to determine profit for architect-engineer, construction, and service contracts.

15.404-75 (DFARS) Reporting profit and fee statistics.

See P-68 Appendix A for reporting requirements.

15.406 Documentation.

15.406(90) (NAPS) Business clearance.

(c) (i) EFD Commanders/Commanding Officers shall establish a format for business clearances under \$30,000,000, ensuring all information required by FAR 15.406-3 and DFARS 215.406-3 is contained therein.

(ii) Form and format prescribed by the NAVFAC Acquisition Proponent shall be used for business clearances over \$30,000,000.

SUBPART 15.6 - UNSOLICITED PROPOSALS

15.606 Agency procedures.

All unsolicited proposals shall be forwarded to the EFD/EFA/PWC contracts office. The EFD/EFA/PWC CCO, without power of redelegation, shall determine the disposition of the proposal.

PART 16

TYPES OF CONTRACTS

SUBPART 16.2 - FIXED-PRICE CONTRACTS

16.203 Fixed-price contracts with economic price adjustment.

16.203-4 Contract clauses

(c) (2) (i) Use the clause at 5252.216-9307, Price Revision, in solicitations/contracts at U.S. installations in Italy when the contract term exceeds one year.

(ii) Use the clause at 5252.216-9314, Economic Price Adjustment for Changes in Landfill/Disposal Fees, in lieu of FAR 5216.216-4, Economic Price Adjustment--Labor and Material, where the service requires landfill usage fees or disposal fees set by a county government or other local government body.

SUBPART 16.3 - COST-REIMBURSEMENT CONTRACTS

16.306 (DFARS) Cost-plus-fixed-fee contracts.

(c) *Limitations.* A request to use MILCON funded cost-plus-fixed-fee contracts shall be forwarded to the NAVFAC Acquisition Proponent for final approval by OSD.

SUBPART 16.4 - INCENTIVE CONTRACTS

16.404 (DFARS) Fixed price contracts with award fees.

For guidance, see NAVFAC Fixed-Price Award Fee Facilities Support Contracts Desk Guide/Handbook.

16.406 Contract clauses.

16.406-100 NAVFAC contract clause.

(a) (1) Use the clause at 5252.216-9315, Award Fee, in solicitations/contracts when a fixed-price award fee contract for services is contemplated.

(2) Use the basic clause with its Alternate I for construction contracts.

SUBPART 16.5 - INDEFINITE DELIVERY CONTRACTS

16.503 Requirements contracts.

(a) *Description.*

(i) The contract price shall be marked "Estimated Total Price".

(ii) No funds shall be obligated at time of award but are obligated at time of issuance of orders against the contract.

16.504 Indefinite-quantity contracts.

(a) *Description.*

(i) The contract price shall be marked "Not to Exceed".

(ii) Funds are to be obligated at time of award for the minimum quantity only.

16.504-100 Architect-engineer contracts.

(a) For guidance on architect-engineer indefinite quantity contracts, see P-68 36.601-3-100.

16.504-101 Facilities support contracts.

(a) The contract amount shall be the total of the extended unit prices for each line item for the base year.

(b) The "quantity" column of the bidding schedule must be identified as "estimated".

(c) The solicitation shall advise the contractor that once the estimated quantities for individual line items shown in the Schedule have been ordered, additional quantities may be ordered as long as the overall not-to-

exceed (NTE) amount of the contract per year is not exceeded and the contractor agrees by signing the task order.

16.504-102 Combination firm fixed-price/ indefinite quantity contract.

(a) The contract price shall be marked "Not to Exceed".

(b) The contract amount shall be the price for the base year firm fixed-price (FFP) portion of the contract and the total estimated quantity of the indefinite quantity portion.

(c) The contract minimum guarantee can be satisfied at time of award with the base year FFP portion of the contract, as long as the FFP is more than a nominal amount of the total contract value and the work is similar.

(d) The work identified under the FFP and the IQ portion of the contract must be of a similar nature.

(e) The IQ portion of the contract shall specify:

(1) a guaranteed minimum amount to be ordered during a specified period. If appropriate, this may be the Firm Fixed-Price portion of the contract.

(2) the maximum dollar amount of orders that the Government may place during a specified period.

(3) the minimum and maximum quantities or dollar amounts that the Government may order on an individual task order.

(f) The policy stated in P-68 16.504-101(b) and (c) applies to the IQ portion of a combination FFP/IQ type contract.

16.505 Ordering.

(a) *General.*

(i) Delivery/task orders may only be executed by a warranted contracting officer or an ordering officer designated pursuant to P-68 1.602-2.

(ii) All delivery/task orders shall be issued on DD Form 1155.

(iii) Orders under contracts funded with annual appropriations shall not be executed in one fiscal year with commencement beginning in the next fiscal year. (See FAR 32.703-2).

(b) *Orders under multiple award contracts.*

(4) The EFD/EFA/PWC Competition Advocate is designated as an ombudsman for task order/delivery order contracts under their cognizance. This designation may not be redelegated.

16.506 Solicitation provisions and contract clauses.

16.506-100 NAVFAC contract clauses.

(a) Insert the clause at 5252.216-9300, Appointment of Ordering Officer(s)s, in all facilities support and architect-engineer indefinite quantity or requirements solicitations/contracts. Use in lieu of FAR clause 52.216-22, Indefinite Quantity.

(b) Use the clause at 5252.216-9301, Task Order Terms and Conditions (Architect-Engineer Indefinite Quantity Contracts), in architect-engineer indefinite quantity solicitations/contracts except those for remedial investigation or design.

(c) Use the clause at 5252.216-9302, Indefinite Quantity, in architect-engineer indefinite quantity solicitations/contracts.

(d) (1) Use the clause at 5252.216-9303, Minimum and Maximum Fees (Architect-Engineer Indefinite Quantity Contracts), in architect-engineer indefinite quantity solicitations/contracts.

(2) Use the clause with its Alternate I when the contract minimum will exceed the initial project amount.

(e) Use the clause at 5252.216-9305, Task Order Procedures (Architect-Engineer Indefinite Quantity Contracts), in all architect-engineer indefinite quantity solicitations/contracts.

(f) Use the clause at 5252.216-9306, Procedures for Issuing Orders, in all facilities support service indefinite quantity or requirements solicitations/contracts.

(g) (1) Use the clause at 5252.216-9310, Combination Firm Fixed-Price/Indefinite Quantity Contract, in all combination firm-fixed price/indefinite quantity facilities support solicitations/contracts.

(2) Use the basic clause with its Alternate I if the firm fixed-price is less than nominal.

(h) Use the clause at 5252.216-9312, Minimum and Maximum Quantities, in all indefinite quantity solicitations/contracts other than architect-engineer. Use in addition to FAR clause 52.216-22.

(i) (1) Use the clause at 5252.216-9313, Maximum Quantities, in all facilities support service combination fixed-price/indefinite quantity solicitations/contracts.

(2) Use the clause with its Alternate I when the firm fixed-price portion of the contract is less than nominal.

(j) In indefinite quantity contracts containing the clause 5252.216-9312, Minimum and Maximum Quantities, the full FAR Termination for Convenience clause shall be utilized. Settlement costs for not ordering the guaranteed minimum shall be calculated according to its provisions.

PART 17

SPECIAL CONTRACTING METHODS.

SUBPART 17.2 - OPTIONS

17.202 Use of options.

17.202-100 Construction contracts.

(a) Written approval of a level above the contracting officer is required for the use of options in construction contracts and combination construction and service contracts in which the service work is the option.

(b) Remedial Action Contracts (cost type only) and Solution Order Contracts (SOC) may contain a base year and up to four option years. NAVFAC Acquisition Proponent approval is required to exceed four option years. See P-68 22.404-100 for further guidance.

17.202-101 Facilities support contracts.

(a) Written approval of a level above the contracting officer is required to include construction options in facilities support service contracts to be performed in the United States, its territories or trusts.

(b) Indefinite quantity facilities support construction contracts (including multi-trade) may contain a base year and up to four option years for work subject to the Davis-Bacon Act. Commercial activity contracts awarded under the A-76 Program and Job Order Contracts may contain a base year and up to four option years. See P-68 22.404-100 for further guidance.

(c) Leases for equipment may include an option to buy. O&MN funds may not be used to exercise a purchase option in excess of \$15,000.

17.202-102 Architect-engineer contracts.

(a) Options for architect-engineer services in fixed-price contracts must be included in the scope of services in Appendix A of the contract.

(b) The contracting officer shall make a written determination prior to exercise of any option that the architect-engineer firm remains the most highly qualified firm to do the work. The following issues should be addressed:

(1) Is the team selected as most highly qualified still performing the work?

(2) Is the firm performing highly qualified work?

(3) Are the selection criteria still valid?

(4) Are the prices offered still fair and reasonable?

(c) Phases are permitted only when it is impracticable to definitized the full scope of the requirement and the price for performing these services and provided that:

(1) the anticipated services are included in the synopsis and in the general scope of work;

(2) the contracting officer documents the rationale for determining a fair and reasonable price considering both the priced and phased portions; and

(3) the provision for award of phases is in the contract allowing phases to be added by supplemental agreement.

17.208 Solicitation provisions and contract clauses.

17.208-100 NAVFAC contract clauses.

(a) Use the clause at 5252.217-9300, Option to Extend the Term of the Contract (Architect-Engineer Indefinite Quantity Contract), in all architect-engineer indefinite quantity solicitations/contracts that include options.

(b) Use the clause at 5252.217-9301, Option to Extend the Term of the Contract - Services, in all facilities support service solicitations/contracts that include options. Use this clause in lieu of FAR clause 52.217-9.

(c) Use the clause at FAR 52.217-7, Option for Increased Quantity-Separately Priced Line Items

(1) in architect-engineer contracts when the contract provides for exercise of an option for post construction award services other than those specified at DFARS 236.609-70, and

(2) in construction contracts with option(s) for additional work.

SUBPART 17.5 - INTERAGENCY ACQUISITIONS UNDER THE ECONOMY ACT

17.502 General.

(1) A determination and findings is required for all procurement actions from agencies outside of the Navy under the Economy Act. The contracting officer will serve as advisor/consultant only.

(i) Within DOD, the determination and findings (D&F) will be signed and approved by the functional manager.

(ii) Outside of DOD, the approval authority has been delegated to the HCA. This authority has been redelegated to the Vice Commander and the cognizant responsible NAVFAC SES Area Functional Manager.

(2) All determinations will be reviewed by NAVFAC counsel.

SUBPART 17.74 - UNDEFINITIZED CONTRACT ACTIONS (DFARS)

17.7402 (DFARS) Exceptions.

The policies and procedures of DFARS 217.74 should be applied to change orders (except VECs) to the maximum extent practicable.

17.7403 (DFARS) Policy.

17.7403-100 Management of UCAs.

The EFD/EFA/PWC CCO shall provide management oversight over UCAs issued by all subordinate offices to ensure appropriate use, management attention to backlog, and establishment/adherence to definitization schedules.

17.7404 Limitations.

17.7404-1 Authorization.

(1) Approval authority for UCAs, including change orders under the Changes clause, undefinitized task/delivery orders, and Technical Direction Letters (TDLs), shall be as follows:

(i) For UCAs under \$1 million, authority is delegated to the EFD/EFA/PWC

Commanders/Commanding Officers and the EFD/EFA/PWC CCO. This authority may be redelegated to Levels I, II, or III contracting officers up to a maximum dollar value of \$100,000 per UCA.

(ii) A determination and findings for UCAs in the amount of \$1 million and above shall be forwarded to the NAVFAC Acquisition Proponent for approval.

(2) A not-to-exceed (NTE) ceiling price shall be established for each UCA. This NTE ceiling price may be adjusted by modification during performance if circumstances warrant, but shall not be exceeded at definitization. See P-68 43.201 for application to undefinitized change orders.

PART 18 [RESERVED]

PART 19

SMALL BUSINESS PROGRAMS

SUBPART 19.5 - SET-ASIDES FOR SMALL BUSINESS

19.502 Setting aside acquisitions.

19.502-1 (DFARS) Requirements for setting aside acquisitions.

(2) The \$85,000 small business set-aside threshold for architect-engineer contracts applies only to military construction and family housing projects.

SUBPART 19.7 - SUBCONTRACTING WITH SMALL BUSINESS, SMALL DISADVANTAGED BUSINESS AND WOMEN-OWNED SMALL BUSINESS CONCERNS

19.703 (DFARS) Eligibility requirements for participating in the program.

All solicitations shall include a notice to offerors of the opportunity to use JWOD, NISH and NIB organizations to meet subcontracting goals. The notice should include HBCU/MI information as well as a point of contact and telephone number.

19.704 Subcontracting plan requirements.

The "Brooks Act" requires an architect-engineer firm to identify who will perform the work (including subcontractors) required under the contract. Synopses shall include a notice that architect-engineer firms shall address their planned potential for usage of small business, small disadvantaged business, women owned small business, historically black colleges and minority institutions. All unrestricted synopses for contracts exceeding \$500,000 shall include a notice that any large business firms who are short-listed will be required to submit a subcontracting plan prior to being interviewed.

SUBPART 19.8 - CONTRACTING WITH THE SMALL BUSINESS ADMINISTRATION (THE 8(a) PROGRAM)

19.803 Selecting acquisitions for the 8(a) program.

(a) Architect-engineer contracts may be awarded under the 8(a) program. Procedures of the Brooks Act must be observed by SBA. The SBA must provide a slate of qualified architect-engineer firms and selection by the NAVFAC activity must be made in accordance with "Brooks Act" selection procedures.

PART 20

LABOR SURPLUS AREA CONCERNS

[NO P-68 UNIQUE TEXT]

PART 21 [RESERVED]

PART 22

APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS

SUBPART 22.1 - BASIC LABOR POLICIES

22.101 Labor relations.

For guidance, see NAVFAC P-386, Contractor Labor Relations Manual.

SUBPART 22.3 - CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

22.305 Contract clauses.

(a) Construction contracts in excess of \$2,000 for work in Puerto Rico, the Virgin Islands, Outer Continental Shelf Lands defined in the Outer Continental Shelf Lands Act, American Samoa, Guam, Wake Island, Eniwetok Atoll, Kwajalein Atoll, or Johnson Island are subject to the Contract Work Hours and Safety Standards Act but are not subject to Davis-Bacon Act. Therefore, the following FAR clauses shall be modified to reflect this applicability and included in these contracts.

(1) FAR 52.222-11 Subcontracts (Labor Standards) except that the list of applicable clauses in the first sentence shall be modified to refer only to the clauses: Contract Work Hours and Safety Standards Act-Overtime Compensation, Subcontracts (Labor Standards), and Contract Termination-Debarment, Disputes Concerning Labor Standards;

(2) FAR 52.222-12, Contract Termination-Debarment except that the list of applicable clauses in the first sentence shall be modified to refer only to the Contract Work Hours and Safety Standards Act-Overtime Compensation, Subcontracts (Labor Standards).

SUBPART 22.4 - LABOR STANDARDS FOR CONTRACTS INVOLVING CONSTRUCTION

22.404 (DFARS) Davis-Bacon Act wage determinations.

See P-68 Appendix A for reporting requirements.

22.404-100 Davis-Bacon Act wage determinations in construction and facilities support contracts including construction.

(a) Only one Davis-Bacon Act wage determination shall be included in a construction contract or a facilities support service contract that includes construction work. This wage determination shall be in effect for the life of the contract, except

when the construction contract is an indefinite quantity type Remedial Action Contract (RAC) (cost type only).

(b) A construction contract whose term, including options, is more than one year, will provide that the offerors may include in their offered price for the option years any contingency to cover increased labor costs.

(c) A facilities support service contract with construction work whose term, including options, is more than one year will provide that the offerors may include in their offered price for the option years a contingency to cover increased labor costs for Davis-Bacon work under the contract. The contractor shall warrant that no contingency associated with possible Service Contract Act (SCA) wage increases has been included in the option periods. Davis-Bacon Act work shall only be included in the indefinite-quantity portion of the schedule and shall not be included or combined

with the SCA work in the fixed-price portion of the schedule.

(d) A Davis-Bacon Act wage determination shall be included in each task order for Remedial Action Contracts (cost type only) and Solution Order Contracts, whose scope of work may cover several geographical areas. The wage determination shall remain in effect for the life of the task order.

(e) Only one Davis-Bacon Act wage determination shall be included in a JOC contract; however,

(i) contractors will be given the opportunity to offer increased co-efficients for the option years to provide for any increases in wages or cost of materials when an option is exercised, or

(ii) if the Means Price Book is used, it will be incorporated and used to provide for any increases in wages or cost of materials when an option is exercised.

SUMMARY TABLE OF WAGE DETERMINATIONS IN VARIOUS TYPES OF CONTRACTS		
TYPE OF CONTRACT	TERM	WAGE DETERMINATION
IDT construction contracts (IQ or requirements and FP, including FP RACs)	Base year +up to 4 option years	One Davis-Bacon Act wage determination
Job Order contract (JOC)	Base year +up to 4 option years	One Davis-Bacon Act wage determination
Remedial Action Contract (RAC) (Cost Type)	Base year +up to 4 option years	One Davis-Bacon Act wage determination per task order
Solution Order Contract (SOC)	Base year + 4 option years	One Davis-Bacon Act wage determination per task order
Single projects	Set by contract	One Davis-Bacon Act wage determination
Single project/projects with option(s) for added work	Set by contract/Set by option	One Davis-Bacon Act wage determination
Service contract with construction (IQ portion only)	Base year +up to four option years	One Davis-Bacon Act wage determination, but a new SCA wage determination for each option exercise

22.406 Administration and enforcement.

22.406-13 (DFARS) Semiannual enforcement reports.

See P-68 Appendix A for reporting requirements.

SUBPART 22.10 - SERVICE CONTRACT ACT OF 1965, AS AMENDED

22.1003 Applicability.

22.1003-1 General.

Notwithstanding the provisions in FAR 12.504, the Service Contract Act (SCA) is applicable to subcontracts on facilities support service contracts. Each solicitation shall include a positive statement to this effect.

22.1003-5 Some examples of contracts covered.

In addition to commonly known service contracts such as grounds maintenance and janitorial services, the SCA will usually apply for environmental service contracts such as water testing, emergency spill response, etc.

22.1006 Contract clauses.

22.1006-100 NAVFAC contract clause.

Use the clause at 5252.222-9305, Work Performed by Individual Assigned Categories, in all cost-reimbursement, time-and-materials or labor hour solicitations/contracts.

PART 23

ENVIRONMENT, CONSERVATION AND OCCUPATIONAL SAFETY AND DRUG-FREE WORKPLACE

SUBPART 23.100 - CONTRACT CLAUSES

23.10000 NAVFAC contract clauses.

(a) Use the clause at 5252.223-9300, Inspection by Regulatory Agencies, in all facilities support services solicitations/contracts.

(b) Use the clause at 5252.223-9301, Wildlife Preservation, in architect-engineer and facilities support solicitations/contracts when applicable.

PART 24

PROTECTION OF PRIVACY AND FREEDOM OF INFORMATION [NO UNIQUE P-68 TEXT]

PART 25

FOREIGN ACQUISITION

SUBPART 25.1 - BUY AMERICAN ACT—SUPPLIES

25.102 (DFARS) Policy.

(a) (3) (C) (1) The EFD/EFA/PWC Commander/Commanding Officer or CCO, without power of redelegation, is authorized to make the exception determination for acquisitions valued at less than \$100,000.

(2) For acquisitions valued in excess of \$100,000, forward requests to the NAVFAC Acquisition Proponent.

(b) (ii) (B) The EFD/EFA/PWC Commander/Commanding Officer or CCO, without power of redelegation, is authorized to make the exception determination for acquisitions estimated not to exceed \$250,000.

(C) For acquisitions valued in excess of \$250,000, forward requests to the NAVFAC Acquisition Proponent.

SUBPART 25.2 - BUY AMERICAN ACT - CONSTRUCTION MATERIALS

25.202 Policy.

(a) (1) The EFD/EFA/PWC CCO, without power of redelegation, shall make this determination. The contracting officer should ensure that the foreign construction material offered is the same quality as domestic material and, therefore, meets the specification requirements.

(2) (a) The EFD/EFA/PWC Commander/Commanding Officer or CCO, without power of redelegation, is authorized to make the determination for acquisitions estimated not to exceed \$250,000. For acquisitions valued in excess of \$250,000, requests shall be forwarded to the NAVFAC Acquisition Proponent.

(3) The NAVFAC Acquisition Proponent Director, without power of redelegation, shall make this determination. All requests shall be forwarded to the NAVFAC Acquisition Proponent.

25.202-100 General guidelines.

(a) Requests for exceptions should be obtained prior to solicitation. An exception may be requested after award. The following are examples of when exceptions may be justified after contract award:

(1) Since contract award, the construction product has ceased to be manufactured or produced in the United States.

(2) The specification is incorrect and the required product can only be procured from a foreign source. Include an explanation why an alternative design cannot be used and what steps are being taken to pursue architect-engineer liability.

(3) A change to the contract requires the use of foreign material. Requests shall be forwarded prior to execution of the change.

(4) The difference in the cost of materials between foreign and domestic exceeds the percentage established by the agency per DFARS 225.102.

SUBPART 25.3 - BALANCE OF PAYMENTS PROGRAM

25.302 (DFARS) Policy.

(b) (i) The Commanders of the Atlantic and Pacific Divisions are delegated authority to make the pre solicitation determinations required by DFARS 225.302 for the International Balance of Payments Program. This authority may be redelegated only to Vice Commanders and EFD/EFA/PWC CCOs. The determination will be made during the design phase and prior to solicitation.

PART 26

OTHER SOCIOECONOMIC PROGRAMS [NO UNIQUE P-68 TEXT]

PART 27

PATENTS, DATA, AND COPYRIGHTS [NO UNIQUE P-68 TEXT]

PART 28

BONDS AND INSURANCE

SUBPART 28.1 - BONDS AND OTHER FINANCIAL PROTECTIONS

28.101 Bid guarantee.

28.101-1 Policy on use.

(b) Annual bid bonds are not acceptable for construction contracts.

28.101-2 Solicitation provision or contract clause.

28.101-2-100 NAVFAC provisions and contract clauses.

(a) (1) Insert the provision at 5252.228-9302, Bid Guarantee, in solicitations requiring bid guarantees. Use in addition to FAR clause 52.228-1. For negotiated procurements, the contracting officer shall determine whether to include the requirement for a bid guarantee.

(2) Use the basic provision with its Alternate I for indefinite quantity and JOC solicitations.

(3) Use the basic provision with its Alternate I for combination firm-fixed-price/indefinite quantity facility support services solicitations.

(4) Use the basic provision with its Alternate III for requirements solicitations.

(b) Use the clause at 5252.228-9306, Performance Guarantee in all solicitations/contracts when work will be performed at U.S. installations in Italy to allow the bidder to select which type of performance guarantee to furnish.

28.102 Performance and payment bonds and alternative payment protections for construction contracts.

28.102-1 General.

(a) (i) Level III contracting officers may waive performance and payment bonds for work in foreign countries.

(ii) For contracts over \$500,000, copies of the payment and performance bonds shall be forwarded to the surety (not the agent's office) for authentication. A copy of this request to the surety shall be sent to the contractor.

(c) Alternative payment protections, other than bonds and those types of security listed in FAR 28.204-1 and 28.204-2, shall be reviewed by NAVFAC counsel prior to inclusion in solicitations.

28.102-3 Contract clause.

28.102-3-100 NAVFAC contract clause.

(a) Use the clause at 5252.228-9305, Notice of Bonding Requirements, for firm fixed-price solicitations/contracts requiring payment and performance bonds.

(b) Use the basic clause with its Alternate I for indefinite quantity solicitations/contracts.

(c) Use the basic clause with its Alternate II for combination firm fixed-price/indefinite quantity solicitations/contracts.

(d) Use the basic clause with its Alternate III for requirements solicitations/contracts.

28.103 Performance and payment bonds for other than construction contracts.

28.103-1 General.

(a) (i) Bid, performance, and payment bonds shall not be required for facilities support service contracts estimated to be awarded at less than \$100,000 or for any contracts awarded pursuant to Section 8(a) of the Small Business Act.

(ii) A written determination by a Level III contracting officer is required prior to including bonds for other than construction contracts. The determination must specifically address the requirement for bonds that exceed 25 percent of the contract award amount.

28.106 Administration.

28.106-2 Substitution of surety bonds.

(a) Level III contracting officers approval is required.

SUBPART 28.2 - SURETIES

28.203 Acceptability of individual sureties.

(a) The contracting officer shall submit the documentation to NAVFAC counsel for review and then make an appropriate determination of acceptability prior to contract award.

28.203-100 NAVFAC provision.

Use the provision at 5252.228-9300, Individual Surety/Sureties, in solicitations requiring bid guarantees and performance and payment bonds.

SUBPART 28.3 - INSURANCE

28.306 Insurance under fixed-price contracts.

(a) (2) Contractors shall not be required to provide insurance coverage on government owned/furnished equipment and materials without EFD/EFA/PWC CCO approval. This authority is not redelegable.

(3) Contracts requiring work on government property and which include transportation or transportation related services shall specify insurance coverage as required by state and local laws or by FAR 28.307-2, whichever results in higher coverage. On a case-by- case basis, Level III contracting officers are authorized to specify higher coverages.

PART 29

TAXES

SUBPART 29.4 - CONTRACT CLAUSES

29.402 Foreign contracts.

29.402-100 NAVFAC contract clauses.

(a) Use the clause at 5252.229-9302, Consumption Tax Exemption Procedures on Purchase of Goods and Services by the United States Armed Forces in Japan (Japanese Law No. 108, 1988), in solicitations/contracts when work will be performed at U.S. installations in Japan. Use this clause in addition to FAR clause 52.229-7, Taxes – Fixed-price contracts with Foreign Government.

(b) (1) Use the clause at 5252.229-9304, Tax Relief, in solicitations/contracts when work will be performed at U.S. installations in Italy. Use this clause in addition to FAR clause 52.229-7, Taxes – Fixed-price Contracts with Foreign Government.

(2) Use Alternate I if contract performance is in Spain.

(3) Use Alternate II if contract performance is in Greece.

PART 30

COST ACCOUNTING STANDARDS ADMINISTRATION

[NO P-68 UNIQUE TEXT]

PART 31

CONTRACT COST PRINCIPLES AND PROCEDURES [NO P-68 UNIQUE TEXT]

PART 32

CONTRACT FINANCING

SUBPART 32.1 - NON-COMMERCIAL ITEM PURCHASE FINANCING

32.111 Contract clauses for non-commercial purchases.

32.111-100 NAVFAC contract clauses.

(a) Use the clause at 5252.232-9300, Contractor Accounting System--Segregation of Costs, in solicitations/contracts when the contractor is required to segregate costs for payment.

(b) Use the clause at 5252.232-9301, Payment for Design Under Fixed Price Design-Build Contracts, in all design-build construction solicitations/contracts when sealed bidding is utilized and in solicitations/contracts when negotiation is utilized and the design or some design, design concepts, or other design submissions are required to be submitted for approval after award.

32.1100 Final payment for construction and architect-engineer contracts.

(a) If the contract payment is assigned, an assignee's release of claims (NAVFAC Form 4330/14) is required. All final vouchers shall reflect the status of LDs. A contractor's final release on NAVFAC Form 4330/7 is required and shall reflect the total contract price, amounts previously paid, and the amount of the final voucher.

(b) For contracts where the contractor pays the government, NAVFAC Form 4330/7 should be modified by deleting the first seven lines and replacing it with the following:

"In consideration of the premise and the receipt of all material as set forth in the specification under the above-mentioned contract, the undersigned contractor does and by the receipt of said material shall".....

(c) The contractor shall clearly indicate the basis and amount of any claim.

(d) When a release contains an exception that the contracting officer considers acceptable, the following notation shall be placed on the release:

"Release approved by contracting officer
this _____ day
of _____ 19____

(signature)"

(e) To close out contracts one year after completion and acceptance of the work when the contractor fails to execute an appropriate release, the contracting officer must obtain a certification of final payment from a level above the contracting officer of the contract balance and obtain a check from the disbursing office. The check shall be mailed to the contractor, certified mail return receipt, notifying the contractor that this is final payment. Any surety should also be provided with this notification. Thirty calendar days after the return of the certified mail receipt, the contracting officer may close out the contract. If the contractor refuses to accept the certified letter or cannot be located, the check shall be returned to the disbursing office and the contracting officer may deobligate the contract balance and close out the contract.

SUBPART 32.7 - CONTRACT FUNDING

32.702 Policy.

Based on the customer and project history, contracting officers may use their own discretion in requiring either a commitment of funds or actual funds in hand before issuing solicitations. The Program/Project Manager remains responsible for validation of funds availability and communicating this to the contracting officer.

32.705 Contract clauses.

32.705-100 NAVFAC contract clause.

Use the clause at 5252.232-9302, Limitation on Extent of Government Liability in the Event of a Buy-Out Prior to Commencement of Construction, in all design-build construction solicitations/contracts when sealed bidding is utilized and in solicitations/contracts when negotiation is utilized and

the design or some design, design concepts, or other design submissions are required to be submitted for approval after award.

SUBPART 32.8 - ASSIGNMENT OF CLAIMS

32.803 Policies.

When a payment is made under an assigned contract, the contractor shall immediately be told the date and amount of all payments.

32.805 Procedure.

(d) *Examination by the Government.* The contracting officer shall obtain review comments from NAVFAC counsel on all assignment of claims in accordance with P-68 1.602-1.

(e) *Release of assignment.* At final payment, a release shall be obtained from both the assignee and the contractor.

SUBPART 32.9 - PROMPT PAYMENT

32.970 (DFARS) Payment of subcontractors.

32.970-1 (DFARS) Subcontractor assertions of nonpayment.

The contract file shall be documented of all actions taken and results and all efforts made by the contracting officer to facilitate the payment of subcontractors.

PART 33

PROTESTS, DISPUTES AND APPEALS

SUBPART 33.1 - PROTESTS

33.103 Protests to the agency.

(d) (4) All agency level protests received by any NAVFAC contracting office shall be subject to administrative review. Protests received on solicitations advertised at field activities shall be reviewed by the EFD/EFA/PWC CCO. Protests received on solicitations advertised at an EFA or PWC shall be reviewed by the EFD CCO. Protests received on solicitations advertised by EFDs or the NAVFAC

Contracts Office at Port Hueneme, CA shall be referred to the NAVFAC Acquisition Proponent for review.

SUBPART 33.2 - DISPUTES AND APPEALS

33.211 Contracting officer's decision.

(1) Personnel who, at the request of NAVFAC counsel, prepare memoranda or notes concerning a claim, shall place a legend on each page as follows:

"ATTORNEY-CLIENT PRIVILEGE FOR OFFICIAL USE ONLY: This document is prepared for use by government or attorneys in connection with a contractor's claim. It is not to be released outside the government or to government personnel not having a need to know."

(2) A copy of all Final Decisions shall be forwarded to the NAVFAC Acquisition Proponent.

(3) A log shall be maintained of all Final Decisions issued.

33.214 Alternative dispute resolution (ADR).

(1) NAVFAC encourages ADRs as a means of resolving disputes. EFDs shall establish appropriate procedures for their utilization.

(2) See P-68 Appendix A for reporting requirements.

33.214-100 Disputes resolution board (DRB).

(a) The board shall be chaired by a representative from the contracts office and have at least one technical and one legal representative.

(b) After hearing the evidence and arguments presented by both the contractor and the government, the Board will make their recommendation. If a settlement with the contractor can be reached, a modification will be issued embodying the terms of the settlement. If a settlement cannot be reached, the Board will recommend the issuance of a Final Decision.

(c) If there is disagreement among the Board members, the contracting officer must make the final determination since the Final Decision, by law must be the result of the contracting officer's independent judgment.

(d) See P-68 Appendix A for reporting requirements.

33.2100 Remand by NAVFAC for settlement by negotiation.

(a) A memorandum of negotiations shall be prepared to support a negotiated settlement.

(b) If a settlement cannot be reached, a report shall be prepared setting forth specific reasons why an agreement could not be reached and the claim package returned to the NAVFAC Acquisition Proponent.

(c) See P-68 Appendix A for reporting requirements.

**SUBPART 33.90 - PROCEDURES
(NAPS)**

33.9001 Claims approval requirements.

(a) (i) For claims of less than \$1,000,000 may only be executed by a Level III contracting officer with in house NAVFAC counsel support.

(ii) For claims exceeding \$1,000,000, the EFD/EFA/PWC shall notify the NAVFAC Acquisition Proponent within 10 days of the receipt of the claim. A POA&M for submission of the claim package to NAVFAC shall also accompany this notice.

(A) The EFD/EFA/PWC CCO shall take the date for forwarding the claim package to the NAVFAC Acquisition Proponent, add 90 calendar days and round up to the end of the month for issuance of a Final Decision by NAVFAC and notify the contractor of this projected Final Decision date within 30 days of receipt of the claim. If the forwarding date slips, the CCO shall give the contractor a revised Final Decision date and state the reasons the original projected date could not be met. A copy of these letters shall be sent to the NAVFAC Acquisition Proponent.

(B) A draft Final Decision shall accompany all claims packages forwarded to the NAVFAC Acquisition Proponent.

PART 34

MAJOR SYSTEM ACQUISITION

[NO P-68 UNIQUE TEXT]

PART 35

**RESEARCH AND DEVELOPMENT
CONTRACTING
[NO P-68 UNIQUE TEXT]**

PART 36

**CONSTRUCTION AND ARCHITECT-
ENGINEER CONTRACTS**

SUBPART 36.1 – GENERAL

36.104 Policy.

For guidance in the use of Newport design-build procedures, see the Newport Design/Build study dated May 88.

**SUBPART 36.2 - SPECIAL ASPECTS OF
CONTRACTING FOR CONSTRUCTION**

**36.201 (FAR/DFARS) Evaluation of contractor
performance**

(a) *Preparation of performance evaluation reports.*

(1) Use a DD Form 2626 utilizing the Construction Contract Appraisal Support System (CCASS) PC program to prepare performance evaluations for contracts or task/delivery orders of \$25,000 or more within 60 days after the facility Useable Completion Date (UCD).

(2) See 42.1503 for procedures for the preparation of performance evaluation reports.

(c) *Distribution and use of performance reports.*

(1) Telecommunicate final evaluations to the CCASS located in the central database.

(2) Forward copies of interim unsatisfactory evaluations to the contractor's bonding company and the SBA (if the contractor is a small business). Telecommunicate a copy of interim unsatisfactory/marginal evaluations to the central database. Final evaluations will supersede any previous interim evaluation.

(3) See 42.1503 for additional guidance.

36.202-100 Awards.

Construction contractors receiving overall outstanding performance evaluations should be considered for an Industrial Incentive Award.

36.205 Statutory cost limitations.

When more than one project is included in a single contract, and the estimated cost of the contract is over the current statutory cost limitation for unspecified minor construction (less estimated SIOH), the solicitation documents shall require the projects to be separately priced and contain a certification that the price for each project includes an approximate apportionment of all estimated direct cost, allocable indirect costs, and profit. The solicitation must state the applicable cost limitation for each affected item in a separate schedule.

36.213 Special procedures for sealed bidding in construction contracting.

36.213-2 Presolicitation notices.

(a) Level III contracting officers may waive this requirement.

36.213-3 Invitations for bids.

36.213-3-70 (DFARS 236.303-70) Additive or deductive items.

(a) (2) If over four additional items are used, a Level III contracting officer's approval is required.

36.213-3-100 Construction Specification Institute (CSI) format.

Contracts for construction shall be prepared in the CSI format. Document Sections (00xxx) contain the contractual requirements and General Requirements Sections (01xxx) contain the administrative requirements.

36.213-3-101 Budgeted amount.

For construction of family housing projects, the solicitation shall contain the budgeted amount.

36.215 Special procedure for cost-reimbursement contracts for construction.

For guidance, see NAVFAC P-398, Cost Reimbursement Construction Contract Manual

36.2100 Environmental remedial action contracts.

For guidance, see NAVFAC P-1092, RAC Contract Manual.

36.2101 Job order contracts.

For guidance, see the NAVFAC Job Order Contracting Manual.

36.2102 Non-appropriated funded (NAF) contracts.

(a) Requests to waive FAR procedures for solicitations funded from non-appropriated sources shall be approved by the EFD/EFA/PWC Commander/Commanding Officer or the EFD/EFA/PWC CCO. Each request must identify the FAR provisions to be waived, the criteria to be used to select firms who will be given the opportunity to submit bids or proposals if other than full and open competition is to be used and the rationale why the identified waivers from the FAR make prudent business sense. All documentation related to each approved request shall be retained in the contract file.

(b) Any firm that may seek to compete for NAF work, even if not initially provided a solicitation, must be given an opportunity to participate.

SUBPART 36.5 - CONTRACT CLAUSES

36.5100 NAVFAC provision and contract clauses.

(a) Use the clause at 5252.236-9301, Special Working Conditions and Entry to Work Area, in solicitations/contracts for construction work to be performed in and around secured areas or ammunition depots and magazines.

(b) Use the clause at 5252.236-9303, Accident Prevention, in all solicitations/ contracts for construction and dismantling, demolition or removal of improvements. Use this clause in addition to FAR clause 52.236-13, Accident Prevention.

(c) Use the clause at 5252.236-9304, Utilities for Construction and Testing, in lieu of FAR clause 52.236-14, Availability and Use of Utility Services, in fixed-price solicitations/contracts for construction, dismantling, demolition or removal of improvements when utilities are to be contractor-furnished.

(d) Use the clause at 5252.236-9305, Availability of Utilities, in all fixed-price solicitations/contracts for

construction and dismantling, demolition or removal of improvements that include FAR clause 52.236-14.

(e) Use the provision at 5252.236-9308, Information Concerning Cost Limitations, in solicitations when the provision at DFARS 252.236-7006 is used.

(f) (1) Use the clause at 5252.236-9310, Record Drawings, or its alternate as appropriate in solicitations/contracts when record drawings are required.

(2) Use the clause with its Alternate I when as-built drawings are not required.

SUBPART 36.6 - ARCHITECT-ENGINEER SERVICES

36.601 Policy.

36.601-3 Applicable contracting procedures.

36.601-3-100 Indefinite quantity contracts.

(a) See P-68 17.202-103 for use of options/phases.

(b) Contracts shall be restricted to small projects requiring similar types of work. Taskings under these contracts shall be restricted to the locations designated in the contracts.

(c) Parallel indefinite quantity contracts for the same services shall not be used unless the EFD/EFA/PWC CCO makes a written determination that award of the entire requirement to a single firm would tax that firm's capacity. This authority is not delegable.

(d) The contract term shall not exceed one base year and one option year without EFD/EFA/PWC CCO written determination of approval. This authority is not redelegable.

(e) The contract amount is the maximum "Not to exceed" amount.

(f) The total estimated dollar value of the contract, including any option year, shall be used as the threshold for certified cost or pricing data, field pricing reports (DCAA audit) and business clearance approval requirements.

(g) Prepriced options for construction support may be included in task orders, but the exercise period shall not exceed eighteen months from final design without EFD/EFA/PWC CCO approval. This authority is not redelegable.

(h) See NAVFAC P-1092, Remedial Action Contract Manual, for guidance on environmental cost reimbursement contracts.

36.602 Selection of firms for architect-engineer contracts.

36.602-1 Selection criteria.

(a) (6) The architect engineer firm's experience in sustainable design and their quality control program shall be evaluated during selection.

36.602-2 (DFARS) Evaluation boards.

(a) (i) EFD/EFA/PWC Commanders/Commanding Officers may authorize the use of a single slate/selection board.

(ii) Engineers serving on boards shall be registered professionals unless a waiver is granted by the EFD/EFA/PWC Commander/Commanding Officer.

(iii) Chairpersons shall have experience serving on A-E selection boards and shall have been briefed by the EFD/EFA/PWC CCO and NAVFAC counsel concerning procurement rules and ethics.

36.602-3 Evaluation board functions.

(c) (i) Telephone interviews may be conducted for contracts up to \$1,000,000. Firms shall be advised that a personal interview will be conducted if requested. A request by one firm does not require that all slated firms be interviewed in person.

(ii) During interviews, price shall not be discussed.

(iii) Following interviews, the selection board shall reach a consensus on an order of preference of the firms selected.

(d) (i) The preselection (slate) board report must document how each slated and non-slated firm met each element of the synopsis rationale for the ranking and, the reason(s) for excluding firms from the slate.

(ii) When a single board is used, the report must document why the non-qualified firms were not slated, the basis for the ranking of the highly qualified firms, and why the selected firm is the most highly qualified.

(iii) For advance planning projects, selection shall be made on the basis of qualifications for performing both the advanced planning and preparing the final plans and specifications for the same project.

(iv) The board report shall include the total estimated final fee for each phase, engineering services and for preparation of plans and specifications; the names and addresses of the selected firms listed in order of preference; a brief description of the project; and the information required by DFARS 236.602-1.

(v) Board recommendations are source selection information and until approval is obtained, only those persons who have direct responsibility for obtaining or granting approval have a need-to-know.

36.602-4 (DFARS) Selection authority.

(a) Whenever the estimated ultimate fee exceeds \$5,000,000, board report(s) shall be forwarded via the EFD/EFA/PWC CCO to the NAVFAC Acquisition Proponent for approval. When the fee is under \$5,000,000, contracting officers with appropriate warrant authority shall approve such reports in accordance with EFD procedures.

36.602-5 Short selection processes for contracts not to exceed the simplified acquisition threshold.

Contracting officers are authorized to use the short selection processes described in FAR Subpart 36.602-5. Firms shall be identified and evaluated exclusively from SF254's submitted or currently on file.

36.604 (FAR/DFARS) Performance evaluation.

(a) Preparation of performance reports.

(1) Use a DD Form 2631 utilizing the Architect-Engineer Contract Appraisal Support System (ACASS) PC program to prepare performance evaluations for each architect-engineer effort over \$25,000 awarded for a specific project or a single increment of work under an indefinite delivery contract. Under CLEAN contracts, the evaluation shall be prepared at the completion of each contract task order (CTO). If an architect-engineer contract is terminated for default or for convenience of the government, an evaluation shall be prepared.

(2) The design contract administration office shall perform an evaluation of the architect-engineer firm's performance at the completion of design and engineering services. The construction contract administration office shall prepare a second evaluation at the completion of construction evaluating the usability of the delivery of contract support services.

(3) See 42.1503 for additional guidance.

(c) *Distribution and use of performance reports.* Telecommunicate final evaluations to the ACASS located in the central database. See 42.1503 for additional guidance.

36.604-100 Awards.

Architect-engineer firms who fulfill contract requirements in an exemplary fashion should be considered for Industrial Incentive and Design Excellence awards.

36.605 Government cost estimate for architect-engineer work.

(a) The independent government estimate shall be provided to the contracting officer prior to receipt of a firm's proposal.

36.606 Negotiations.

(b) The contractor shall be requested to provide as part of their proposal separate prices for preparation of plans and specifications and for engineering services.

36.607 Release of information on firm selection.

See clearance requirement of NAVFACINST 11010.51H.

36.608 Liability for Government costs resulting from design errors or deficiencies.

(1) Whenever there is a modification to a construction contract resulting from a design deficiency in plans or specifications, the contracting officer shall make a written determination of the extent to which the architect-engineer firm may be responsible for such design deficiency and whether any increased costs resulting from such design deficiency shall be assessed against the architect-engineer firm. The determination and subsequent action shall be documented in the contract file.

(2) Where possible architect-engineer liability is not pursued, a written statement shall be made by the contracting officer detailing the reasons supporting this decision.

(3) If the architect-engineer firm and the construction contractor directly negotiate additional compensation for the additional work performed by the contractor, a modification may be issued by the contracting officer to extend the time for contract completion under the construction contract.

(4) See P-68 Appendix A for reporting requirements.

36.609 Contract clauses.

36.609-100 NAVFAC contract clauses.

(a) Use the clause at 5252.236-9300, Limitations on Authority of Architect-Engineer, in architect-engineer solicitations/contracts that require post construction award services. This clause shall be used in addition to the clause at DFARS 252.236-7009.

(b) Use the clause at 5252.236-9302, Architect-Engineer Contracts for Consultation and Advice, in all architect-engineer solicitations/contracts that require consultation services during construction.

(c) Use the clause at 5252.236-9307, Drawings Prepared by an Architect-Engineer, in architect-engineer solicitations/contracts to be performed outside the United States.

(d) Use the clause at 5252.236-9309, Key Personnel, in architect-engineer solicitation/contracts when contractor personnel are key for performance of the contract and/or were a factor in the selection process.

36.6100 Inspection services.

(a) General construction inspection services by the architect-engineer firm are only permitted when all the general inspection required for the job is procured through contract; however, specialty inspection services that require specialized knowledge/experience/skills may be obtained by contract even when the general inspection services are not.

(b) Inspectors may be use to check contractor compliance with labor standards provisions provided such duties are restricted to checking and making reports to the contracting officer.

(c) For environmental CLEAN contracts, the inspection services may be compensated through a cost reimbursement contract.

PART 37

SERVICE CONTRACTING

SUBPART 37.1 - SERVICE CONTRACTS-- GENERAL

37.104 Personal service contracts.

The determination required shall be approved by a contracting officer one level higher than the executing contracting officer and shall be reviewed by NAVFAC counsel.

SUBPART 37.2 - ADVISORY AND ASSISTANCE SERVICES

37.203 Policy.

(b) A written determination prepared by the cognizant EFD requires NAVFAC Acquisition Proponent concurrence and endorsement by NAVFAC counsel prior to contracting for Contractor Advisory and Assistance Services (CAAS).

37.206 (DFARS) Requesting activity responsibilities.

(c) Prior to contracting for advisory and assistance services approval shall be obtained from NAVFAC's Financial Management Proponent.

SUBPART 37.3 - DISMANTLING, DEMOLITION OR REMOVAL OF IMPROVEMENTS

37.302 Bonds or other security.

(1) A contract for demolition or timber cutting to clear an area to permit new construction shall include Miller Act bonds. However, if the demolition is part of an environmental cost-reimbursement contract, Miller Act bonds are not required.

(2) Bid security shall be 20 percent of the estimated cost of demolition, exclusive of salvage.

(3) A performance bond shall be required in a minimum amount of 50 percent of the estimated cost of demolition, exclusive of salvage.

37.3100 NAVFAC policy.

(a) No demolition contract shall be executed until the requiring activity has complied with the requirements of Federal Property Management Regulation (41 CFR 101-47), SECNAVINST 11011.47 and NAVFACINST 11010.44E.

(b) The Uniform Contract Format (UCF) will be utilized for contracts solely for dismantling, demolition, or removal of improvements and the CSI format utilized for contracts with follow-on construction.

(c) When payment is made to the government, the payment check and a conformed copy of the contract shall be transmitted to the local disbursing officer as promptly as possible. The contracting officer shall request the disbursing officer to hold the check in a suspense account until such time as the contracting officer is certain that no modifications to the contract that result in a refund to the contractor will be required.

SUBPART 37.6—PERFORMANCE BASED CONTRACTING

37.6100 Facilities Support Contracts.

37.6100-1 Scope of subpart. This subpart prescribes policy and procedures for contracting for facilities support contracts.

37.6100-2 Contract format.

The Uniform Contract Format (UCF) shall be used for all facilities support service, facilities support combination contracts and environmental service contracts. The CSI format shall be used for facilities support construction contracts. See P-68 36.601-3-100.

37.6100-3 Schedule of deductions.

(a) In facilities support service contracts and facilities support combination contracts that contain firm fixed-price work, the solicitation will usually require the contractor to submit a schedule of deductions. If required, the contractor will not be permitted to commence work until the completed schedule is approved. Alternatively, if the fixed-price portion of the work is broken down into line items in the firm fixed-price schedule in sufficient detail to permit deductions to the contract, a schedule of deductions will not be required.

(b) In indefinite quantity contracts, bidders/proposers are to be advised in the specifications that the unit prices provided by the successful bidder will be utilized as the basis of deductions pursuant to the Consequences of Contractor's Failure to Perform Required Services (P-68 5252.246-9303) clause of the contract.

(c) For guidance on random sampling for extrapolated deductions, see NAVFAC Facilities Support Contract Quality Management Manual, MO-327.

37.6100-4 Evaluation of contractor performance.

(a) *Preparation of performance reports.* Use the Navy CPARS on-line database to prepare performance evaluations for facility support construction, service, supply and information technology contracts and delivery orders of \$100,000 and above. Except that, the CCASS database should be used when wage rates for construction work is covered under the Davis-Bacon Act in lieu of the Service Contract Act on combination service contracts where the construction portion exceeds 50% of the dollar value of the contract and on facility support construction contracts. The DoN CPARS manual establishes processes and procedures for the collection and use of past performance information (PPI). This manual can be located at:

www.nslcptsmh.navsea.navy.mil/cparsdoc.htm

(b) *Frequency for preparing CPARS.* Prepare an initial CPAR at the end of the first six months for new contracts having a performance period greater than 180 days. All subsequent CPARS shall report contractor performance for the period of time since the preceding CPAR. Prepare an intermediate CPAR at the midpoint of each option year. Prepare a final CPAR at the completion or termination of the contract. Interim or out-of-cycle CPAR reports may be prepared at any time during the contract performance period. They are used as informational CPARS to report when program administration personnel change or to report significant change in one or more contractor performance evaluation areas. Interim or out-of-cycle CPARS are in addition to the normal annual cycle reports explained above and shall not be placed in the CPARS library.

(c) *Frequency for reporting metrics on CPARS.* For contracts awarded for \$1,000,000 and above, each EFD, EFA and PWC is required to report CPARS metrics to the NAVFAC Acquisition Proponent by the 10th of each quarter. Reports shall include the number of contracts requiring CPARS and the number of CPARS completed.

(d) See 42.15 for additional guidance.

37.6100-5 Solicitation provision and contract clauses.

(a) Use the clause at 5252.237-9300, Schedule of Deductions, in all facilities support services solicitations/contracts.

(b) Use the clause at 5252.237-9301, Substitutions of Key Personnel in all facilities support solicitations/contracts when a fixed price contract is contemplated and personnel are key to performance of the contract and/or were a factor in the selection process.

(c) Use the provision at 5252.237-9302, Site Visit, in all facilities support solicitations. This provision is to be used in addition to FAR provision 52.237-1.

SUBPART 37.100 - FORESTRY CONTRACTS

37.10000 NAVFAC policy.

(a) *Service contracts.* Reforestation, timber stand improvement, or fire prevention shall be accomplished in accordance with the provisions of P-68 Subpart 37.100.

(b) *Timber sale contracts.* Sale contracts shall be accomplished in accordance with applicable provisions of Federal Property Management Regulations (FPMR (41 CFR) 101-45.3).

(c) Sales and service-type work shall not be combined under one contract, but shall be accomplished by separate contracts.

PART 38

FEDERAL SUPPLY SCHEDULE CONTRACTING [NO UNIQUE P-68 TEXT]

PART 39

ACQUISITION OF INFORMATION RESOURCES

39.002 Definitions.

"Information technology" means any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information. This includes

computers, ancillary equipment, software firmware and similar procedures, services (including support services), and related resources.

An "information system" is a combination of elements that shall function together to produce the capabilities required to fulfill a mission need, including hardware, ancillary equipment, software or any combination thereof, but excluding construction or other improvements to real property.

SUBPART 39.1 - GENERAL

39.101 Policy.

(1) EFD/EFA/PWC Commanders/Commanding Officers are delegated authority to procure information technology resources up to \$100,000 in value. This authority may be redelegated.

The NAVFAC Contracts Office at Port Hueneme, CA is the only NAVFAC contracting office authorized to procure information technology requirements in excess of \$100,000 in value. Requests for increased authority from other offices will be considered on a case-by-case basis.

(2) Claimancy Information System (IS) approval is still required for information technology acquisitions unless the following circumstances apply:

(i) Information technology equipment which is classified as construction or other improvements to real property (i.e., computer hardware and software used to control HVAC systems, building security and fire protection applications) are subject to the same procurement authority requirements in paragraph (1) above but no longer require an IS approval.

(ii) Information technology requirements which are incidental to or constitute less than 50% of the total dollar value of a larger procurement, such as a MILCON project, may be procured at the local level by an appropriately warranted contracting officer. Inclusion of information technology requirements as part of larger solicitations does not preclude the requirement for obtaining the proper IS approval.

(3) If GSA is to be used as a servicing agency for procurement of information technology, all orders are subject to the Economy Act and require an Economy Act determination and findings (D&F). This does not include the use of GSA Schedule contracts when the terms and conditions of the GSA Schedule are referenced in the Navy delivery order for information technology resources. Contracting officers may use

GSA Schedules to purchase information technology resources (up to \$100,000) without preparing an Economy Act D&F.

(4) Questions regarding the proper procurement authority procedures for information technology acquisitions may be directed to the NAVFAC Acquisition Proponent.

PART 40

[RESERVED]

PART 41

ACQUISITION OF UTILITY SERVICES

SUBPART 41.1 – GENERAL

41.102 Applicability.

(a) (i) *Rubbish removal/trash collection.*

(A) The collection and removal of garbage, trash and rubbish are typically considered to be service type requirements. However, where this service is regulated and the rates charged customers and the wages paid employees are controlled by a governmental body, the federal government contracts with a local governmental body to provide the service and there is no opportunity to compete this requirement, it may be considered a utility service.

(B) In such circumstances where considered a utility, the services are exempt from the Service Contract Act (SCA) provisions.

(C) If the service is controlled and provided by a governmental body through a franchised or similar mechanism to restrict who may perform the service and the federal government must contract with only authorized providers, the service is exempt from the SCA provisions.

(D) If the service is provided by municipal workers, the SCA wage rates should be those rates set by the governmental body as part of their regular pay plan. Therefore, a unique wage determination should be requested from the Department of Labor to incorporate the governmental body's wage rates.

(ii) *Miscellaneous community services.* Military activities located within corporate or

geographical limits of governmental units are entitled to the same community services that are provided to the public generally without charge when such services are supported by taxation. These services may include fire and police protection, snow removal, street cleaning or other miscellaneous community type services. However, if these services are furnished to the public on a contractual basis, or are provided the military activity outside the corporate limits, they may be obtained by contract on a reimbursable basis. All questions concerning the propriety of obtaining these type services by contract should be coordinated with NAVFAC counsel or coordinated with the NAVFAC Acquisition Proponent.

(iii) *Sale of utility service to private parties.*

NAVFAC contracting officers are authorized to execute contracts for the sale of utility services to private parties authorized by NAVCOMPT Manual 035875 and prevailing policy governing these actions.

NAVFAC Form 4330/16 (7-72) S/N 0105-LF-001-9714 Utility Sales Contract may be used as appropriate.

(b) (6) Notwithstanding the prohibition of obtaining community services by contract from governmental units, military installations subject to base closure may be eligible for certain types of services under cooperative agreements. NAVFAC Acquisition Proponent should be contacted for information concerning special rules affecting bases to be closed.

41.103 Statutory and delegated authority.

(a) *Statutory authority.*

(i) EFD Commanders/Commanding Officers have been delegated authority to contract for utility services for terms up to 10 years in accordance with the authority delegated to the Department of Defense by GSA in accordance with U.S.C. 481.

(ii) Guidance governing the use of special authorities cited in DFARS 241.002 has not been incorporated into the FAR. Details concerning the extent of these special authorities are contained in the text of the statutes. Use of these special authorities should be closely coordinated with NAVFAC counsel. Questions may also be addressed to the Acquisition Proponent.

(iii) 10 U.S.C. 2865 authorizes non-competitive contracts with utility companies for energy conservation improvements and services having a pay

back of up to 10 years. While these contracts are entered into with utility companies, they are NOT utility contracts and must contain most clauses normally included in a construction or service contract and are subject to most regulations governing the procurement of construction or services. Use of this authority should be supported by the execution of a J&A.

(iv) 42 U.S.C. 8287, as modified by the Energy Policy Act of 1992, authorizes energy savings contracts with terms up to 25 years.

SUBPART 41.2 - ACQUIRING UTILITY SERVICES

41.201 Policy.

(1) *Energy Savings Performance Contracts.*

(i) The NAVFAC Contracting Office (NAVFACCO) at Pt. Hueneme, CA is the only NAVFAC contracting office currently authorized to award Energy Savings Performance Contracts authorized by 42 U.S.C. 8287 as modified by the Energy Policy Act of 1992.

(ii) These special authorities are not yet incorporated in the FAR and rules governing the application and use of these special authorities are found in various Executive Orders, Department of Energy final rules, and other assorted instructions and documents. Questions concerning use of these special authorities should be directed to NAVFACCO or NAVFAC Acquisition Proponent.

(iii) Use of Department of Energy area-wide Energy Savings Performance Contracts are subject to the procedures governing the Economy Act transfers outside the Department of Defense.

(iv) Frequently, contracts awarded subject to these special authorities do not specify a contract value. For the purposes of establishing approval thresholds, the estimated value of the maximum capital investment shall be used to determine the appropriate approval authority.

(2) *Existing contracts.* Actions to correct existing contracts which may not now be considered inappropriate for award under the provisions of FAR Part 41 (i.e., trash collection, cable television, telecommunication services, etc.) are left to the discretion and judgement of the cognizant contracting officer. Contracting officers should coordinate closely all new contract actions with NAVFAC counsel to

assure new awards are consistent with current law and regulation.

(3) *Contract modifications.* Proposed modifications to existing contracts to reduce utility costs by establishing reduced rates (not subject to regulation) or alternate terms and conditions are subject to the same review and approval thresholds as are any other contract action having a similar value. In those situations where the contract has no fixed term (indefinite term utility contracts), the term shall be considered to be five years for purposes of establishing the contract value for determining review and approval thresholds. Proposed modifications which change regulated rates are not subject to any review and approval beyond that locally established.

(4) *Advance payments.* Any requirement to include provisions for advance payments in a utility contract shall be referred to the NAVFAC Acquisition Proponent. Each request shall document that no other means of financing is available and all attempts to negotiate other payment terms were unsuccessful.

41.202 Procedures.

(1) Procurement of utility services, particularly electricity, is significantly affected by state law and regulation. Contracting officers are responsible for maintaining an awareness of local regulations governing the acquisition of utility services and the feasibility of competing utility requirements as state laws are changed and utilities become deregulated.

(2) A J&A should be available supporting each contract awarded without competition. Where utility services are procured under an indefinite term agreement, a new J&A should be prepared annually.

SUBPART 41.4 - ADMINISTRATION

41.401 Monthly and annual review.

Upon completion of the annual review, the contracting officer shall make a written determination that the rates are fair and reasonable for the type of service provided.

41.4100 Contract records.

(a) The contracting officer shall maintain a record of all utility contracts to include contract number, name of contractor, activity served, type of service and other pertinent information relating to the characteristics of

the service and the circumstances under which it is furnished. This record should also contain:

(i) monthly records of billing data for accounts over \$25,000 per year abstracted from invoices;

(ii) a complete current inventory of all company-owned facilities and equipment installed at each activity; and

(iii) a current file of the rates, rules, and regulations under which service is furnished to the public by the various contractors, including abstracts of special contracts with industrial or other customers.

(b) The using activity shall be instructed to submit annually to the EFD a tabulation of the billing data including units of consumption and the amount of billings for all accounts \$25,000 or less per year.

(c) Records of outages, their duration and cause, meter tests, changes, and adjustments should be maintained until all required contract administrative actions have been completed and the final payment made.

(d) See P-68 Appendix A for reporting requirements.

PART 42

CONTRACT ADMINISTRATION

SUBPART 42.2 - ASSIGNMENT OF CONTRACT ADMINISTRATION

42.202 Assignment of contract administration.

42.202-100 Contracting Officer's Representatives.

(a) See P-68 1.602-2 for appointment and responsibilities of COARs, COTRs, and NTRs.

SUBPART 42.5 - POSTAWARD ORIENTATION

42.570 (DFARS) Contract clauses.

42.570-100 NAVFAC contract clauses.

(a) Use the clause at 5252.242-9300, Government Representatives, in all solicitations/contracts. Use this clause in addition to DFARS clause 252.201-7000, Contracting Officer's Representative.

(b) Use the clause at 5252.242-9305, Pre-Performance Conference, in all solicitations/contracts except for construction. Use this clause in addition to DFARS clause 252.242-7000, Postaward Conferences.

SUBPART 42.12 - NOVATION AND CHANGE-OF-NAME AGREEMENT

42.1202 Responsibility for executing agreements.

If the novation agreement affects contracts other than those of the activity, the documentation shall be forwarded to the EFD/EFA/PWC CCO or the NAVFAC Acquisition Proponent, as appropriate, for action.

SUBPART 42.15 - CONTRACTOR PERFORMANCE INFORMATION

42.1502 Policy.

(b) Additional requirements for performance evaluations for construction, architect-engineer, facility support construction, service, supply, and information technology contracts are provided under P-68 36.201, 36.604 and 37.6100-4.

42.1503 Procedures.

42.1503-100 NAVFAC Procedures.

(a) Prepare performance evaluations for all contracts in accordance with the requirements herein and the requirements specific to each type contract.

(b) Copies of performance evaluations for architect-engineer and construction contracts shall be telecommunicated by the originator to the DOD ACASS/CCASS central database. Copies of performance evaluations for facility support construction (when applicable, see 37.6100-4), service, supply, and information technology contracts shall be entered into the Navy CPARS central database. Additionally, the originator shall provide a copy to the contractor and place the original in the contract file.

(c) In order to maximize the effectiveness of the databases, contracting officers shall ensure that the information in the databases is current and accurate. To obtain access instructions and log-on procedures for ACASS and CCASS, contact:

Portland District, Corps of Engineers
ATTN: CENPP-CT-AC
P.O. Box 2946
Portland, OR 97208-2946
Telephone: 503-808-4590
email:
elizabeth.a.morrow@usace.army.mil

To obtain access instructions and log-on procedures for CPARS, contact the EFD, EFA or PWC Contracts office CPARS Focal Point.

(d) Interim evaluations may be prepared and used to advise the contractor of unsatisfactory performance during the execution of a contract as considered appropriate by the contracting officer. Interim evaluations do not become final until they are processed by the reviewing official. Only "finalized" evaluations are entered into the central databases for consideration when awarding new contracts

(e) The head of the contract administration office shall assure that fully qualified personnel prepare and review performance evaluations. The reviewing official shall have personal knowledge of the contractor's overall performance and be at a higher organizational level than the evaluating official.

(f) For all overall unsatisfactory/poor or marginal/below average ratings, a copy of the performance evaluation must be forwarded by letter to the contractor. The contractor shall be invited to meet with the appropriate personnel to discuss the rating and shall be allowed 30 days to respond to the invitation and/or proposed evaluation, in writing. The remarks section of the form shall provide an explanation of why the contractor was rated unsatisfactory/poor or marginal/below average. The performance evaluation shall not be signed by the reviewing official until after the meeting with the contractor has either taken place, has been refused by the contractor or the 30 day response time has expired. The contractor's response to the assessment shall be taken into account when determining the final rating. If the final overall evaluation is still unsatisfactory/poor or marginal/below average, the contractor's position shall be attached to the final evaluation in the form of a memorandum or the contractor's letter of response, if one is provided. If the contractor alleges mistakes of fact, such allegations shall be responded to in writing and a copy of the response appended to the report. Attach a copy of the letter to the contractor and any written comments by the contractor to the final

evaluation and place in the official contract file. The remarks section of the performance evaluation shall contain a summary of any contractor comments and indicate that a copy may be obtained from the official contract file.

(g) A review at a level above the contracting officer shall be provided to consider disagreements between the parties regarding the evaluation.

(h) A copy of the performance evaluation for each contractor receiving an excellent or outstanding rating should be forwarded by letter to the contractor. Place a copy of the letter in the official contract file. The remarks section of the performance evaluation shall note the existence of the letter.

(i) Contracting officers should consider contractors who fulfill contract requirements in an exemplary fashion for Industrial Incentive awards.

(j) Data concerning the performance of a contractor shall not be disclosed to persons or organizations outside DOD or SBA unless approved by the NAVFAC Acquisition Proponent.

PART 43

CONTRACT MODIFICATIONS SUBPART 43.1 - GENERAL

43.102 Policy.

43.102-100 Execution of modifications.

(a) General.

(i) Bilateral modifications shall not be executed by the government until after execution by the contractor. If the contractor conditions the modification, a written reply shall immediately be sent to the contractor stating that the government will not execute the modification as returned and treats it as null and void.

(ii) All supplemental agreements shall include the following statement unless waived by the EFD/EFA/PWC CCO:

"Acceptance of this modification by the contractor constitutes an accord and satisfaction and represents payment in full for both time and money and for any and all costs, impact effect, and for delays and disruptions arising out of, or incidental to, the work as herein revised."

(iii) Level III contracting officer approval is required when the price of a modification will exceed the original contract price or when the sum of the modifications issued to date, together with the one proposed, exceeds the original contract price. This approval is not required for utility service contracts with approved tariffs.

(iv) A government estimate is not required for contract modifications under \$100,000. However, in the absence of a government estimate, a determination of price reasonableness must still be made in accordance with local procedures.

(v) Prior to final payment and contract close-out, a unilateral modification shall be prepared to adjust the contract price for any liquidated damages assessed against the contractor.

(b) *Facilities support contract modifications.*

(i) If labor requirements are affected by out-of-scope work, a new SCA wage determination must be requested and made a part of the modification.

(ii) A unilateral modification shall be issued to adjust the contract price for unperformed work in accordance with the 'Consequences of Contractors Failure to Perform' clause.

(c) *Construction contract modifications.*

All modifications must include either an adjustment of the contract completion date or the statement 'extension of contract time is not required by reason of this modification.'

SUBPART 43.2 - CHANGE ORDERS

43.201 (NAPS) General.

(1) See DFARS 217.74 and P-68 17.74 for policy and procedures for undefinitized contract actions, including change orders.

(2) A written determination shall be made by the CCO when the requirement for inclusion of a not-to-exceed price on change orders has been waived.

43.201-100 Policy.

(a) It is NAVFAC policy to negotiate in advance the cost and time associated with all contract changes except in unusual circumstances where it is not possible as a consequence of the character of the changed work.

(b) When the government and the contractor cannot reach agreement on the cost and time associated with changed or additional work, a change order may

be issued to direct the contractor to proceed with the work despite the absence of an agreement on appropriate compensation. In such circumstances, the change order shall contain compensation both in terms of time and money to the contractor in amounts thought to be reasonable by the contracting officer. Further, these amounts should be broken down in sufficient detail to clearly document the basis for the contracting officer's determination of what was reasonable compensation should the contractor seek additional compensation via the disputes provisions of the contract and prevail in a contracting officer's final decision.

PART 44

SUBCONTRACTING POLICIES AND PROCEDURES [NO P-68 UNIQUE TEXT]

PART 45

GOVERNMENT PROPERTY

SUBPART 45.1 – GENERAL

45.106 Government property clauses.

45.106-100 NAVFAC clauses.

(a) Use the clause at 5252.245-9300, Government-Furnished Property, Materials and Services, in facilities support solicitations/contracts. This clause is to be used in addition to the clause at FAR 52.245-2.

(b) Use the clause at 5252.245-9302, Limited Assumption of Risk by Government, in all construction solicitations/contracts that will be performed at or near ammunition depots or magazines when it is determined that the government will assume part of the risk.

SUBPART 45.70 - APPOINTMENT OF PROPERTY ADMINISTRATORS AND PLANT CLEARANCE OFFICERS

45.7001 (DFARS) Selection, appointment and termination.

(a) The contracting officer shall designate a property administrator for each contract involving government property furnished to or acquired by the contractor.

(b) All property administrators shall be members of the Defense Acquisition Workforce and shall attend the DOD training course for property administrators. NAVFAC contracting officers shall obtain assurance from customers that properly trained property administrators (if required) will be available prior to the issuance of any solicitation for customer requirements.

PART 46

QUALITY ASSURANCE

SUBPART 46.1 - GENERAL

46.104 Contract administration office responsibilities.

(1) General.

(i) Quality assurance responsibilities should be assigned by the contracting officer according to the quality assurance needs, regardless of the type of contract.

(2) Construction contracts.

(i) Specific QA requirements and procedures are provided in NAVFAC P-1015, Guidelines for Architect-Engineer Construction and Inspection (Title II) Services.

(ii) A written plan identifying the critical aspects of the work and the QA measures to be implemented with regard to them should be prepared. The NAVFAC Construction Contract Non-Compliance Notice (NAVFAC Form 4330/36) shall be used to inform the contractor of a major quality control problem for appropriate action.

(iii) The requirement for QA reports is outlined in P-445, Construction Contract Quality Management.

(3) Facilities support service contracts.

(i) A QA plan shall be prepared in accordance with NAVFAC Facilities Support Contract Quality Management Manual, MO 327. The government will give the contractor written notice of deficiencies. NAVFAC Contract Discrepancy Reports

will be used to advise the contractor of quality control problems requiring corrections.

(ii) Documentation of QA measures consists of the contract surveillance schedule, completed evaluation work sheets, records of customer complaints and any other material reflecting adequacy of contractor performance. More information regarding FSC QA documentation is available in NAVFAC MO 327 and in the QA plan required with each FSC contract.

(4) *Architect-engineer contracts.* The EFD/EFA/PWC CCO shall ensure that a procedure is developed and implemented to establish that the contractor has accomplished the required final interdisciplinary coordination review.

(5) *Environmental contracts.* QA requirements are provided in NAVFAC P-1071, Environmental Contract Quality Management Guide.

(6) *Testing laboratories.* Each EFD/EFA/PWC shall establish procedures to ensure the capabilities of testing laboratories used by NAVFAC contractors.

46.104-100 Training standards for QA personnel.

(a) Personnel performing QA of NAVFAC contracts must meet mandatory training standards.

(b) See P-68 Appendix A for reporting requirements.

SUBPART 46.2 - CONTRACT QUALITY REQUIREMENTS

46.202 Types of contract quality requirements.

46.202-2 Government reliance on inspection by contractor.

46.202-2-100 Construction Surveillance and Inspection (Title II) Services.

For guidance, see NAVFAC P-1015, Guidelines for Architect-Engineering Construction and Inspection (Title II) Services.

46.202-100 NAVFAC contract quality requirements.

(a) Construction contracts shall include either NAVFAC Quality Control Guide Specification 01450 or short form 01450 tailored to the specific contract. The quality control paragraphs of each technical

specification section shall specify adequate quality control measures.

(b) Facilities support service contracts shall require an appropriate contractor quality control program.

(c) Architect-engineer contracts shall incorporate in the statement of work a requirement that the contractor perform an interdisciplinary coordination review of plans and specs immediately prior to final submittal.

SUBPART 46.4 – GOVERNMENT CONTRACT QUALITY ASSURANCE

46.407 Nonconforming supplies or services.

46.407-100 NAVFAC contract clauses.

(a) Use the clause at 5252.246-9303, Consequences of Contractor's Failure to Perform Required Services, in all firm fixed-price and firm fixed-price/indefinite quantity solicitations/contracts for facilities support services.

(b) Use the clause at 5252.246-9304, Estimating the Price of Nonperformed or Unsatisfactory Work, in all FFP/ID solicitations/contracts for facilities support services.

SUBPART 46.5 ACCEPTANCE

46.5100 Acceptance of construction.

The ACO shall offer the activity Commanding Officer or designated representative the opportunity to conduct an inspection of all new construction, alterations, or repairs prior to final acceptance from the construction contractor. On completion of the inspection, the activity Commanding Officer or designated representative should be requested to provide a list of deficiencies to be corrected. The ACO shall take necessary action to correct those deficiencies which are within the contract scope. Should the ACO determine that deficiencies noted are not within scope, the program manager should be advised.

46.5101 Equipment performance data.

The contract specification shall require the contractor to provide all warranties and performance, maintenance, and operating information for important mechanical and for other complex systems. When no longer required for administration, this data shall be

transmitted to the Public Works Officer of the requiring activity.

SUBPART 46.7 – WARRANTIES

46.704 Authority for use of warranties.

All warranties shall be standard or customary in the trade unless a Level III contracting officer has made a written determination documenting that the extra warranty protection is needed.

46.7100 Enforcement of warranties after final acceptance.

The contracting officer shall be notified of any necessary warranty work.

PART 47

TRANSPORTATION

SUBPART 47.5 - OCEAN TRANSPORTATION BY U.S.-FLAG VESSELS

47.507 Contract clauses.

(d) (i) FAR 52.247-64, Preference for Privately Owned U.S. Flag Commercial Vessels, (Alternate II) shall be included in full text in all overseas construction solicitations and contracts. Alternate I shall be included in full text for all other construction solicitations and contracts.

(ii) Use the provision at 5252.247-9300, Use of Privately Owned U.S. Flag Commercial Vessels, in all solicitations which include the clause at FAR 52.247-64.

PART 48

VALUE ENGINEERING

SUBPART 48.2 – CONTRACT CLAUSES

48.201 Clauses for supply or service contracts.

(b) *Value engineering incentive.* Use the clause at 52.248-1, Value Engineering (NAVFAC DEVIATION I) (NOV 1998) in lieu of FAR 52.248-1, Value Engineering, for Base Operating Services (BOS) contracts.

PART 49

TERMINATION OF CONTRACTS

SUBPART 49.1 - GENERAL PRINCIPLES

49.101 Authorities and responsibilities.

49.101-100 Reporting requirements.

(a) A log shall be kept of all contracts terminated for the convenience of the government.

(b) See P-68 Appendix A for reporting requirements.

SUBPART 49.4 - TERMINATION FOR DEFAULT

49.402 Termination of fixed-price contracts for default

49.402-3 Procedure for default.

(1) Contracts shall be terminated by contracting officer's Final Decision with a copy to NAVFAC Acquisition Proponent.

(2) Each EFD/EFA/PWC shall maintain a tracking system to assure that applicable field office completion reports, initial and follow-up demand letters, and, when appropriate, forwarding files to NAVCOMPT for nonpayment are done in a timely manner.

(3) The title block of a completion contract shall contain a statement: "This contract is for completion of defaulted contract #_____."

(4) See P-68 Appendix A for reporting requirements.

49.405 Completion by another contractor.

49.405-100 Four-party agreement.

If the surety for a failing contractor, prior to termination and with the consent of the failing contractor, offers another firm to take over the work, this shall be accomplished by a four-party agreement (government, existing contractor, new contractor, and surety), patterned after the novation agreement set forth in FAR 42.1200. The surety must state in the agreement that the existing performance and payment bonds extend to and cover all work by the new contractor, or new bonds must be issued.

PART 50

EXTRAORDINARY CONTRACTUAL ACTIONS

SUBPART 50.1 – GENERAL

50.104 (DFARS) Reports.

See Appendix A for reporting requirements.

PART 51

USE OF GOVERNMENT SOURCES BY CONTRACTORS [NO P-68 UNIQUE TEXT]

PART 52

SOLICITATION PROVISIONS AND CONTRACT CLAUSES

SUBPART 52.1 - INSTRUCTIONS FOR USING PROVISIONS AND CLAUSES

52.101 (NAPS) Using Part 52.

(b) *Numbering.*

(2) (ii) (B) The NAPS 11 digit numbering system is used for NAVFAC provisions and clauses, using the last four digit sequential numbers of 9300 through 9399.

SUBPART 52.2 - TEXTS OF PROVISIONS AND CLAUSES

52.200 Scope of subpart.

This subpart sets forth the texts of all NAVFAC provisions and clauses.

5252.201-9300 Contracting Officer Authority. As prescribed in 1.602-1-100, insert the following clause:

CONTRACTING OFFICER AUTHORITY (JUN 1994)

In no event shall any understanding or agreement between the Contractor and any Government employee

other than the Contracting Officer on any contract, modification, change order, letter or verbal direction to the Contractor be effective or binding upon the Government. All such actions must be formalized by a proper contractual document executed by an appointed Contracting Officer. The Contractor is hereby put on notice that in the event a Government employee other than the Contracting Officer directs a change in the work to be performed or increases the scope of the work to be performed, it is the Contractor's responsibility to make inquiry of the Contracting Officer before making the deviation. Payments will not be made without being authorized by an appointed Contracting Officer with the legal authority to bind the Government. (End of clause)

5252.209-9300 Organizational Conflicts of Interest.

As prescribed in 9.507-2(a), insert the following clause:.

**ORGANIZATIONAL CONFLICTS OF
INTEREST (JUN 1994)**

(a) The restrictions described herein shall apply to the Contractor and its affiliates, consultants and subcontracts under this contract. If the Contractor under this contract prepares or assists in preparing a statement of work, specifications and plans, the Contractor and its affiliates shall be ineligible to bid or participate, in any capacity, in any contractual effort which is based on such statement of work or specifications and plans as a prime contractor, subcontractor, consultant or in any similar capacity. The Contractor shall not incorporate its products or services in such statement of work or specification unless so directed in writing by the Contracting Officer, in which case the restriction shall not apply. This contract shall include this clause in its subcontractor's or consultants' agreements concerning the performance of this contract. (End of clause)

ALTERNATE I (JUN 1994). As prescribed in 9.507-2(b), add the following paragraphs to the basic clause:

(b) Some remedial action may be performed by the architect-engineer firm in order to prevent continued contamination that immediately endangers population or property.

(c) The Contractor shall provide a statement with his bid or proposal which concisely describes all relevant facts concerning any past, present, or currently planned interest (financial, contractual, organizational, or otherwise) relating to the work to be performed hereunder. The Contractor warrants that, to the best of the Contractor's knowledge and belief, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest, as defined in FAR Subpart 9.5, or that the Contractor has disclosed all such relevant information prior to award. If a potential conflict is discovered after award, the Contractor shall make a full disclosure in writing to the Contracting Officer. The disclosure shall include a description of action which the Contractor proposes to take, after consultation with the Contracting Officer, to avoid, mitigate, or neutralize the conflict of interest.

(d) In addition, the Contractor shall notify the Contracting Officer, in writing, of its intention to compete for, or accept the award of any contract for similar or related work for any Department of Defense, other Agency of the federal government, or state regulatory agency which may involve Navy sites. Such notification shall be made before the Contractor either competes for or accepts any such contract.

(e) Remedies: The Government may terminate this contract for convenience, in whole or in part, if it deems such termination necessary to avoid an organizational conflict of interest. If the Contractor was aware of a potential organization conflict of interest prior to award or discovered an actual or potential conflict after award and did not disclose or misrepresented relevant information to the Contracting Officer, the Government may terminate the contract for default, or debar the Contractor from Government contracting, or pursue such other remedies as may be permitted by law or this contract.

(f) The Contractor further agrees to insert in any subcontract or consultant agreement hereunder, provisions which shall conform substantially to the language of this clause, including this paragraph (f). (End of clause)

5252.211-9301 Phased Construction Schedule. As prescribed in 11.404-100, insert the following clause:

**PHASED CONSTRUCTION SCHEDULE (SEP
1996)**

Within the overall project schedule, commence and complete the work in phases. Complete each phase of the work within the number of calendar days stated in the following schedule.

a. Schedule start day: The day designated as the beginning of a particular phase; the number listed is the number of calendar days from the award of contract.

b. Completion day: The day designated as the end of a given phase and the day the work in that phase must be completed; the number listed is the number of calendar days from the award of the contract.

c. Schedule:

Phase	Description	Schedule Start Day	Completion Day
A	[_____]	[_____]	[_____]
B	[_____]	[_____]	[_____]
C	Completion of remaining	[_____]	[_____]

[Contracting Officer insert start and completion day for each phase. The completion day of the last phase must be the same number as indicated in FAR 52.211-10, Commencement, Prosecution, and Completion of Work.]

d. If the work of a particular phase is complete and accepted before the scheduled completion day, immediately begin work on the subsequent phase unless otherwise restricted. (End of clause)

5252.212-9300 Commercial Warranty. As prescribed in 12.404-100, insert the following clause:

COMMERCIAL WARRANTY (NOV 1998)

The Contractor agrees that the supplies or services furnished under this contract shall be covered by the most favorable commercial warranties the Contractor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the Government by any other clause of this contract. (End of clause)

5252.214-9300 Basis for Award. As prescribed in 14.201-6-100(a)(1), insert the following provision:

BASIS FOR AWARD (NOV 1998)

(a) The low bidder for purposes of award shall be the conforming, responsive, responsible bidder offering the lowest total price of Contract Line Item(s) (insert CLINs). Bids are solicited on an "all or none" basis. Failure to submit bids for all items and quantities listed shall be cause for rejection of the bid. Subparagraph (c) of FAR 52.214-10, "CONTRACT AWARD-SEALED BIDDING (JUL 1990)" does not apply to this award. (End of provision)

ALTERNATE I (NOV 1998). As prescribed in 14.201-6-100(a)(2), add the following paragraph to the basic provision:

(b) Bidders are cautioned that the initial term of the contract may be for a period of less than a full year. (End of provision)

ALTERNATE II (NOV 1998). As prescribed in 14.201-6-100(a)(3), substitute the following paragraphs for the basic provision:

(a) The low bidder for purposes of award shall be the conforming, responsive, responsible bidder offering the lowest total price for Contract Line Item(s) (insert CLIN(s)). However, the initial award will include only Contract Line Item(s) (insert CLIN(s)).

(b) Bids are solicited on an "all or none" basis. Failure to submit bids for all items and quantities listed shall be cause for rejection of the bid. Subparagraph (c) of FAR 52.214-10, "CONTRACT AWARD-SEALED BIDDING" does not apply to this award. (End of provision)

5252.214-9301 Notice to Bidders. As prescribed in 14.201-6-100(b), insert the following provision:

NOTICE TO BIDDERS (JUN 1994)

(a) Under the bidding items furnished on Standard Form 1442 (Solicitation, Offer, and Award) the bidder shall state prices for each basis for bid given hereinafter: (check if applicable)

____ (i) Base Bid Item 0001 shall be the entire work complete in accordance with the drawings and specifications, but not including work indicated or

specified to be provided under any of the other bid items.

_____ (ii) Additive Bid Item(s) _____ shall be for the work as identified in _____ and not included in any other bid item.

BIDS MUST BE SUBMITTED ON ALL ITEMS. FAILURE TO PROPOSE ON ALL ITEMS MAY RESULT IN THE BID BEING REJECTED AS NON-RESPONSIVE.

(b) All hand delivered bids must be deposited in the bid box at the office of (identify name and address of activity) prior to the time and date set for bid opening. Any bids submitted by hand after the time set for receipt will be stamped with the date and hour of receipt and held unopened until after award. The file shall be documented in accordance with FAR 14.304-4. (End of provision)

5252.215-9300 Content of Proposals. As prescribed in 15.209-100(a), insert the following provision:

CONTENT OF PROPOSALS (NOV 1998)

PROPOSAL REQUIREMENTS (a) The technical proposal and the price/cost proposal shall be submitted in separate volumes. The technical proposal shall not contain any cost/pricing information, except for salary information provided on resumes. The technical proposal presented by the offeror to whom the award is made will be incorporated into the contract at time of award.

(b) The offeror shall submit the following information:

(1) (#) completed signed solicitation packages, including executed representations and certifications, Schedule of Deductions and cost/prices in Section B.

(2) (#) copies of the technical proposal.

(3) (#) copies of the cost/price proposal.

(c) TECHNICAL PROPOSAL. Each technical proposal shall be precise, detailed, and complete as to clearly and fully demonstrate a thorough knowledge and understanding of the requirements. As a minimum, the proposal must contain sufficient detail so that it may be evaluated in accordance with the EVALUATION FACTORS provision, Section M.

(d) PRICE/COST PROPOSAL. Each price/cost proposal shall contain a breakdown of direct labor costs; direct material cost (identifying the quantity, type and unit price); subcontracting costs; overhead costs; general and administrative costs; and profit. (End of provision)

5252.215-9301 Multiple Proposals. As prescribed in 15.209-100(b), insert the following provision:

MULTIPLE PROPOSALS (JUN 1994)

Proposers may, if they desire, submit multiple proposals. If multiple proposals are submitted, proposers must price separately each such proposal and assure that the required guarantee is in a sum sufficient to cover the highest possible amount upon which award can be made. In addition, they should assure that full technical and pricing details, as may be appropriate, are furnished so as to assure that their proposals can properly be evaluated without the need for the request for additional information. Unsolicited alternates, either additive or deductive, will not be considered. (End of provision)

5252.215-9302 Number of Copies/Time of Receipt.

As prescribed in 15.209-100(c), insert the following provision:

**NUMBER OF COPIES/TIME OF RECEIPT
(JUN 1994)**

All proposals should be submitted in (#) copies of half-size copies and one full-size set of ozalid prints.

Instructions concerning the time and place of delivery are provided on the first page (Standard Form 1442) of this Request for Proposals. The price proposal, including acknowledgment of amendments, guarantee bond and completed representations and certifications, need only be submitted in triplicate. (End of provision)

5252.216-9300 Appointment of Ordering Officer(s).

As prescribed in 16.506-100(a), insert the following clause:

**APPOINTMENT OF ORDERING
OFFICER(S) (OCT 1996)**

Ordering Officers under this contract are authorized by the Contracting Officer to execute delivery/task orders provided the total price for the delivery/task order does not exceed the individual Contracting Officer(s) warrant limitations. The ordering officers and their specific authority shall be stated in this contract or in an appointment letter.
(End of clause)

5252.216-9301 Task Order Terms and Conditions [Architect-Engineer Indefinite Quantity Contracts].

As prescribed in 16.506-100(b), insert the following clause:

**TASK ORDER TERMS AND CONDITIONS
[ARCHITECT-ENGINEER INDEFINITE
QUANTITY CONTRACTS] (OCT 1996)**

At the sole option of the Government, and in accordance with all terms and conditions set forth herein, the architect-engineer firm may be authorized to perform either partial or total design, engineering and related services on variable projects covered by this contract. Authorization for performance of these services shall be by issuance of a task order which shall be executed as follows:

(a) The Government shall have the right, at any time during the term of this contract, to request a proposal from the architect-engineer firm for furnishing specified design, engineering and related services for projects. Each request for proposal will set out the proposed scope of work, design criteria and other considerations, scope of architect-engineer services, proposed schedule of submissions, and, if applicable, the estimated construction cost amount (ECC) for the project contemplated.

(b) The Government reserves the right to make award of a task order based on the contractor's proposal. However, if the proposal is not acceptable as submitted, the parties hereto shall enter into negotiations, targeting a mutually acceptable agreement. If agreement on all terms of the task order is not achievable, the services for that specific order shall be deemed excluded from the scope of this contract and the Government shall be under no obligation to establish a task order or provide for any payments.

(c) The architect-engineer firm shall complete all services required pursuant to each resultant task order

in accordance with the scope of work, design criteria and schedule of submissions set forth herein. The standard terms and conditions of this basic contract shall take precedence. (End of clause)

5252.216-9302 Indefinite Quantity. As prescribed in 16.506-100(c), insert the following clause:

INDEFINITE QUANTITY (JUN 1994)

This is an indefinite-quantity contract for the services specified, and effective for the period stated previously.

Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the services specified in the Schedule up to an including the "maximum" fee total designated previously.

There is no limit on the number of orders that may be issued subject only to the maximum annual value of the contract.

Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period.

(End of clause)

5252.216-9303 Minimum and Maximum Fees [Architect-Engineer Indefinite-Quantity Contracts].

As prescribed in 16.506-100(d)(1), insert the following clause:

**MINIMUM AND MAXIMUM FEES
[ARCHITECT-ENGINEER
INDEFINITE-QUANTITY CONTRACTS]
(OCT 1996)**

As the contract minimum has been established with project #1 identified in the basic award, the contract maximum annual total is \$ (insert amount)
(End of clause)

ALTERNATE I (NOV 1998) As prescribed in 16.506-100(d)(2), substitute the following paragraph for the basic clause:

The contract minimum is \$ (insert amount). The contract maximum annual total is \$_____. (End of clause)

5252.216-9305 Task Order Procedures [Architect-Engineer Indefinite-Quantity Contracts]. As prescribed in 16.506-100(e) insert the following clause:

**TASK ORDER PROCEDURES
[ARCHITECT-ENGINEER
INDEFINITE-QUANTITY CONTRACTS] (OCT
1996)**

To order work under the contract, the Contracting Officer will provide the Contractor a scope of work detailing the Government's requirements and request a cost proposal for the proposed work. The Contractor shall respond with a proposal in an expeditious manner, but in no event later than directed in the request for proposal.

Price Breakdown. The Contractor shall provide a price breakdown for all proposals, itemized, as directed by the Contracting Officer. Unless otherwise directed, the breakdown shall be in sufficient detail to permit an analysis of all materials, labor, equipment, subcontract, and overhead costs, as well as profit, and shall cover all work involved in the scope of work. Any amount claimed for subcontractors shall be supported by a similar breakdown.

Negotiations. In the event there are differences in the Contractor's proposal and the Government Estimate, the Contractor and the Contracting Officer shall meet at the direction of the Contracting Officer to negotiate the extent of effort and costs of the proposed work.

Task orders for the contract work will be on Department of Defense DD Form 1155. The contractor shall submit one copy of the task order with the invoice for payment.

Oral or Written Telecommunications Orders.

The Contracting Officer may issue oral or written telecommunications orders only in emergency circumstances. Oral or written telecommunications orders will be confirmed by issuance of a written task order on DD Form 1155 within two (2) working days.

Modifications to Task Orders. Orders may be modified by the Contracting Officer. Modifications to task orders shall be effected on a Standard Form 30. Orders may be modified orally or by written

telecommunications by the Contracting Officer in emergency circumstances. Oral or written telecommunication modifications shall be confirmed by issuance of a written modification on Standard Form 30 within two (2) working days from the time of the communication modifying the order. (See Attachment #__ Section__).

If a task order is deposited in the U.S. mail, mailing time (5 working days for regular mail and 1 working day for express mail) will be incorporated into the task order submittal schedule. The Contracting Officer will notify the architect-engineer firm when an order is deposited in the mail. If delays are encountered in mailing without the fault of the Contractor, a time extension may be granted by the Contracting Officer. (End of clause)

5252.216-9306 Procedures For Issuing Orders. As prescribed in 16.506-100(f), insert the following clause:

**PROCEDURES FOR ISSUING ORDERS
(NOV 1998)**

(a) Services to be furnished under this contract shall be furnished at such times as ordered by the issuance of task orders on DD Form 1155 by the Ordering Officer designated by the Contracting Officer. All orders issued hereunder are subject to the terms and conditions of this contract. This contract shall control in the event of conflict with any order. When mailed, a task order will be considered "issued" for the purpose of this contract at the time the Government deposits the order in the mail or, if transmitted by other means, when physically delivered to the Contractor.

(b) Task orders may be modified by the Ordering Officer. Modifications to task orders will be issued on a Standard Form (SF) 30.

(c) Task orders may be modified orally by the Ordering Officer in emergency circumstances. Oral modifications will be confirmed by issuance of a written modification on an SF 30 within two (2) working days from the time of the oral communication modifying the order. (End of clause)

5252.216-9307 Price Revision. As prescribed in 16.203-4(c)(2)(i), insert the following clause:

PRICE REVISION (JUN 1994)

General. This contract shall be subject to price revision as set forth below. A ____ percent (____%) threshold shall be applied. The adjustment in the contract price to reflect the increases and decreases outlined above shall be made prior to final payment under this contract or at such other time as mutually agreed upon by the parties. The method of such computation of the price revision shall be as described in paragraph 26.2. For purpose of calculating price revision, Table ____ of Building Regulations published by the Civil Engineer's Office of the province where work is to be performed, shall be used. The bid opening date shall be the effective date for price revision computations for the original contract whether or not the cost variation tables for that month have been published. The effective date for price revision for changes to the contract shall be determined during negotiations for any change in contract price and be stated in the subsequent modification. No price revision will be paid for work accomplished after the contract completion date. The method of payment shall be by formal modification to the contract. Any money paid for price revision shall not subject itself to higher price revision payments.

Method of Payment. Payment shall be made based on work completed and documented by the OICC MED Contract Performance Statement (OICC MED Form 10-7300/31). Any work documented on the performance statement shall be assumed completed as of the date of the document and not further subdivided. Contractor shall complete OICC MED Form (4330/26) "Computation of Multiplier" and OICC MED Form (4330/25) "Payment Summary", and submit the completed forms along with copies of all applicable performance statements to the Contracting Officer for review and approval. Copies of forms are available from the Contracting Officer. The Contractor shall also submit copies of the applicable cost variations tables used in calculating multipliers. Price revision for all contract modifications shall be submitted separately and not included as part of the original contract. Back-up documentation for price revision applicable to contract modifications shall be the same as for the original contract. (End of clause)

5252.216-9310 Combination Firm Fixed-Price/Indefinite Quantity Contract. As prescribed in 16.506-100(g)(1), insert the following clause:

**COMBINATION FIRM FIXED-
PRICE/INDEFINITE QUANTITY
CONTRACT (OCT 1996)**

(a) This is a combination firm fixed-price/indefinite quantity contract for the supplies or services specified, and effective for the period stated in the Schedule. Work items for the fixed-price portion are identified in the Schedule and include all work except that identified as Indefinite Quantity. The fixed-price quantities shown in the Schedule are considered to be accurate estimates for this contract period.

(b) Work items for the indefinite quantity portion of the contract are identified in the Schedule. The quantities of supplies and services specified in the Schedule as Indefinite Quantity are estimates only and may be ordered by issuance of separate task orders.

(c) Delivery or performance shall be made only as authorized by orders issued in accordance with FAR clause 52.216-18. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to the contract stated maximum. The minimum guarantee of work to be ordered is the firm fixed-price portion of the contract.

(d) Except for any limitations on quantities in FAR clause 52.216-19 or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(e) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period. (End of clause)

ALTERNATE I (OCT 1996). As prescribed in 16.506-100(g)(2), substitute the following paragraph (c) for paragraph (c) of the basic clause:

(c) Delivery or performance shall be made only as authorized by task orders issued in accordance with the ORDERING clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to the contract

stated maximum. The minimum guarantee of work to be ordered is (fill-in)% of the total estimated quantity.

5252.216-9312 Minimum and Maximum Quantities. As prescribed in 16.506-100(h), insert the following clause:

**MINIMUM AND MAXIMUM QUANTITIES
(JUN 1994)**

As referred to in paragraph (b) of FAR 52.216-22, INDEFINITE QUANTITY clause, the contract minimum quantity is (fill-in)% of the estimated total quantity. Should the Government fail to place orders totaling the amount of the contract minimum quantity, the provisions of Clause _____ entitled, "Insert title of FAR 52.249-1 or 52.249-2" shall apply to the unordered amount of the contract minimum quantity.

The maximum quantity shall not be exceeded except as may be provided for formal modification to the contract. (End of clause)

5252.216-9313 Maximum Quantities. As prescribed in 16.506-100(i), insert the following clause:

MAXIMUM QUANTITIES (JUN 1994)

As referred to in 5252.216-9310, "COMBINATION FIRM FIXED-PRICE/ INDEFINITE-QUANTITY CONTRACT" clause, the minimum guarantee of work is the firm fixed-price portion of the contract. The maximum dollar value of the contract is the total dollar value of the fixed-price and indefinite quantity Items. The maximum shall not be exceeded except as may be provided by formal modification to the contract. (End of clause)

ALTERNATE I (NOV 1998). As prescribed in 16.506-100(i)(2), substitute the following paragraph for the basic clause:

As referred to in 5252.216-9310, "COMBINATION FIRM FIXED-PRICE/ INDEFINITE QUANTITY CONTRACT, ALT I" clause, the minimum guarantee of work is (fill-in)% of the estimated total quantity. The maximum dollar value of the contract is the total dollar value of the fixed-price and indefinite quantity items. The maximum shall not be exceeded except as may be

provided by formal modification to the contract.
(End of clause)

5252.216-9314 Economic Price Adjustment For Changes in Landfill/Disposal Fees. As prescribed in 16.203-4(c)(2)(ii), insert the following clause:

**ECONOMIC PRICE ADJUSTMENT FOR
CHANGES IN LANDFILL/DISPOSAL FEES
(JUN 1994)**

(a) The Contractor shall notify the Contracting Officer, at any time during contract performance, the disposal fee unit prices shown in the schedule in Section B either increase or decrease as a result of new landfill/disposal fees set by the _____ County Commissioners. The Contractor shall furnish this notice within 20 calendar days after being notified of any increase or decrease, or within any additional period that the Contracting Officer may approve in writing. Adjustment for increases shall not be retroactive beyond the 20 calendar day notification period or such time as approved in writing by the Contracting Officer. Adjustments for decreases shall be made effective immediately on the date they are implemented by the landfill. The notice shall include the amount of the adjustment (increase or decrease), the effective date and supporting data explaining the cause of the adjustment.

(b) Promptly after the Contracting Officer receives the notice and date under paragraph (a) above, the Contracting Officer shall modify this contract to include the increase or decrease in the disposal fee (resulting from the adjustment) and its effective date. The contractor shall continue performance pending adjustment.

(c) The Contractor warrants that the prices in this contract do not include any allowance for any contingency to cover increased costs for which adjustment is provided under this clause.

(d) No increase shall exceed the cost of using other alternative landfills which are available for use by the Contractor, considering the disposal fees, labor and transportation cost.

(e) Any price adjustment under this clause is subject to the following limitations:

(1) Any adjustment shall be limited to the effect on unit prices as a result of new landfill/disposal fees set by the _____ County Commissioners. There

shall be no adjustment for (i) changes in rates or unit prices other than those shown in the Schedule, or (ii) changes in the quantities of labor or material used from those shown in the Schedule for each item.

(2) No upward adjustment shall apply to supplies or services that are required to be delivered or performed before the effective date of the adjustment.

(3) No upward adjustment shall be approved for any disposal fee increase that does not apply equally to all landfill customers of similar conditions of service.

(4) The aggregate of the increases in any contract unit price for disposal fees made under this clause shall not exceed 100 percent of the originally awarded unit price for line item __, disposal fees for the base period. There is no percentage limitation on the amount of decreases that may be made under this clause.

(5) There will be no adjustment for any increase in the disposal fees which will not result in a net change of at least 3 (three) percent of the total unit price for the then current contract term (not the cumulative total contract price).

(f) The Government's obligation under this clause is contingent upon the availability of appropriated funds before payment for this increase can be made. No legal liability on the part of the Government for any payment may arise until funds are made available to the Contracting Officer for this increase and until the Contractor receives notice of such availability, to be confirmed in writing by the Contracting Officer. The clause entitled "Availability of Funds" in Section I, paragraph __ applies. (End of clause)

5252.216-9315 Award Fee. As prescribed in 16.406-100(a)(1), insert the following clause:

AWARD FEE (NOV 1994)

(a) Determination of Award Fee. An Award Fee Evaluation Procedure is hereby established for determination of award fee payable under this contract. The payment of any award fee is contingent upon compliance with contractual requirements and performance at the satisfactory level in each of the individual criteria set forth in the contract. It is the Government's intent that

the contractor perform the required services in such a manner as to warrant the highest possible rating and award fee. The Contractor's failure to maintain acceptable levels of performance in all areas of this contract, whether specified as award fee areas or not, will result in no award fee being issued. Award fee determinations will be made by the Fee Determination Official. Each determination will cover the preceding evaluation period. The award fee determination is not subject to the "Disputes" clause of this contract. Any amount not awarded in one evaluation period will not be carried over the next evaluation period.

(b) Award Fee Amount. The total amount of award fee that can be earned for a twelve month period is \$_____. The amount of award fee that may be earned for each evaluation period is \$_____.

(c) Procedures.

(1) Performance Evaluation Board. A Performance Evaluation Board (PEB) composed of selected technical and administrative personnel from the (Activity) will evaluate the Contractor's performance as related to the criteria listed elsewhere herein. The PEB will make specific performance evaluations each month. Within fifteen (15) calendar days after the end of each evaluation period, the PEB will submit a formal evaluation report to the Fee Determination Official. The PEB report will include a narrative of each element evaluated which supports the recommended rating assigned. A copy of the PEB's report will be furnished to the Contractor.

(2) Contractor Self-Evaluation. Within fifteen (15) days after the end of each evaluation period, the Contractor shall submit two copies of a concise, written self-evaluation of his performance similar to the PEB report and limited to approximately 5 pages. This report will be submitted to the Contracting Officer.

(3) Fee Determining Official. A Fee Determining Official (FDO) will be established to determine the amount of award fee, if any, to be paid to the Contractor. The FDO will review the Performance Evaluation Board's report, the contractor's self-evaluation, and take such other action and consider such other facts pertinent to this contractor's performance as is required to determine the rating and the amount of the performance award fee for the evaluation period under consideration. The Contracting Officer will notify the Contractor in writing of the FDO's

decision. The Contractor will signify acceptance by submitting an invoice in accordance with the Contracting Officer's instructions. The decision of the Fee Determining Official is final and shall not be subject to the Disputes Clause.

(d) Evaluation Criteria, Grades and Definitions.

Percentages will be assigned to each criterion according to the relative order of importance determined by the Government using the grades, definitions, and criteria presented herein. A rating will be assigned for each major evaluation criterion for each period. The performance criteria and weighting will be applied to arrive at a weighted score.

(e) Grades and Definitions.

(1) Any changes to the award fee determination criteria which shall apply during each award fee period will be provided to the Contractor in writing by the Contracting Officer at least fifteen (15)

calendar days prior to the start of each award fee period. Notification at a later date or alteration of criteria, including added criteria, after an award fee period has begun must be agreed to by both parties.

(2) The award fee determination criteria for award fee are established herein.

(f) Performance Criteria and Weighting. Criteria elements listed below will be used to evaluate performance. Each element is individually graded with a percentage score. Normally a percentage score below 80 in any of the criteria elements listed below will result in no award fee paid to the contractor. The maximum points for each criteria element will be multiplied by the percentage score for each criteria element. The sum of the scores for all criteria elements will yield the numerical point value to determine the percentage of earned award fee for evaluation as shown on the following Table 1, Performance Evaluation Report Criteria.

TABLE 1. PERFORMANCE EVALUATION REPORT CRITERIA						
Category	Evaluation Criteria	Satisfactory Below 80	Above Satisfactory 80-84	Excellent 85-89	Outstanding 90-94	Superior 95-100
Quality of Work	Fixed-Price Work (40%)	Inferior quality of workmanship with excessive number of deficiencies	Adequate quality of workmanship with substantial number of deficiencies	Acceptable quality of workmanship with limited number of deficiencies	High quality of workmanship with minor deficiencies	Superior quality of workmanship with no deficiencies
	Indefinite Quantity Work (40%)	Inferior quality of workmanship with excessive number of deficiencies	Adequate quality of workmanship with substantial number of deficiencies	Acceptable quality of workmanship with limited number of deficiencies	High quality of workmanship with minor deficiencies	Superior quality of workmanship with no deficiencies
	Effectiveness of Quality Control Program (20%)	Consistently requires Govt input to rework unsatisfactory jobs	Occasionally requires Govt input to rework unsatisfactory jobs	Rarely requires Govt input to rework unsatisfactory jobs	Contractor QC Program effects all rework requirements	Most jobs do not require rework, QC program very effective
Timely Completion of Work	Fixed-Price Work (40%)	Frequently misses scheduled time frames; requires Govt prodding	Meets schedule but requires Govt prodding	Meets schedule without reminders	Sometimes responds and performs faster than scheduled	Often responds and performs faster than scheduled

TABLE 1. PERFORMANCE EVALUATION REPORT CRITERIA						
Category	Evaluation Criteria	Satisfactory Below 80	Above Satisfactory 80-84	Excellent 85-89	Outstanding 90-94	Superior 95-100
	Indefinite Quantity Work (40%)	Frequently misses time frames scheduled in DO and requires Govt prodding	Meets DO schedule but requires Govt prodding	Meets DO schedule without reminders	Sometimes responds and performs faster than DO schedule	Often responds and performs faster than DO schedule
	Scheduling (20%)	Schedules not submitted; DO dates consistently not met	Schedules submitted but not complied with; DO dates occasionally not met	Schedules submitted and usually complied with; DO dates rarely missed	Schedules submitted; meets dates of all approved schedules and DO's	Schedules submitted; completes work of approved schedules and DO's ahead of schedule
Response to Service Calls	Emergency service calls (50%)	Consistently late in meeting response times and situations not timely arrested	Occasionally late in meeting response times and situations not timely arrested	Rarely late in meeting response times but situations timely arrested	Responds in a timely manner and arrests all situations with little Govt direction	Always responds immediately and quickly arrests all situations
	Urgent service calls (25%)	Consistently late in meeting response times and situations not timely arrested	Occasionally late in meeting response times and situations not timely arrested	Rarely late in meeting response times but situations timely arrested	Responds in a timely manner and arrests all situations with little Govt direction	Always responds immediately and quickly arrests all situations
	Routine service calls (25%)	Consistently late in meeting response times and situations not timely arrested	Occasionally late in meeting response times and situations not timely arrested	Rarely late in meeting response times but situations timely arrested	Responds in a timely manner and arrests all situations with little Govt direction	Always responds immediately and quickly arrests all situations
Administration and Management	Cooperation (50%)	Contractor and employees do not demonstrate cooperation in accomplishment of the contract	Contractor and employees occasionally demonstrate cooperation in accomplishment of the contract	Contractor and employees usually demonstrate cooperation in accomplishment of the contract	Cooperation and teamwork exceed normal expectations	Cooperation and teamwork substantially exceed normal expectations
	Ingenuity and/or Flexibility (50%)	Contractor and employees display no ingenuity or willingness to improve	Contractor and employees occasionally display ingenuity and willingness to improve	Contractor and employees attempt improvement and ingenuity and occasionally are successful	Contractor and employees generally are ingenious and innovative with success and Govt benefit	Contractor and employees highly ingenious and innovative with substantial Govt benefit

Ref: DFARS 216.403-70 and 216.470

ALTERNATE I (NOV 1998) As prescribed in 16.406-100(a)(2), delete paragraph (d) of the basic clause and substitute the following paragraphs (b), (e)

and (f) for paragraphs (b), (d) and (e) of the basic clause: **NOTE: CANNOT BE USED TO ACCELERATE PERFORMANCE.**

(b) **Award Fee Amount.** The total amount of award fee that can be earned under this contract is \$ _____. This amount will not be increased if work is added to the contract but will be reduced proportionately if work is deleted from the contract. For the fifth evaluation period, the payment of any award fee is contingent on the Contractor's not having incurred any liquidated damages in the performance of the contract. The Fee Determination Official will make the award fee determination after the first ___, ___, ___, and ___ days after contract award and ___ after establishment of final acceptance. The amount of award fee that can be earned for each evaluation period is as follows:

(d) **Grades and Definitions.**

(1) Any changes to the award fee determination criteria that shall apply during each award fee period will be provided to the Contractor in writing by the Contracting Officer at least fifteen (15) calendar days prior to the start of each award fee period. Notification at a later date or alteration of criteria, including added criteria, after an award fee period has begun must be agreed to by both parties.

(2) The award fee determination criteria for award fee are established herein.

(e) **Performance Criteria.** Criteria listed in the tables attached hereto will be used to evaluate performance. Each criteria is individually graded with adjectival rating. A rating below satisfactory in any one of the individual criteria will result in no award fee paid to the Contractor.

Award Fee Period	Period Covered - Days from Contract Award	Award Fee Pool Available
1	0 - ____	\$_____
2	____ - ____	\$_____
3	____ - ____	\$_____
4	____ - ____	\$_____
5	FIRST 90 DAYS AFTER (final acceptance)	\$_____

5252.217-9300 Option to Extend the Term of the Contract [Architect-Engineer Indefinite Quantity Contract]. As prescribed in 17.208-100(a), insert the following clause:

**OPTION TO EXTEND THE TERM
OF THE CONTRACT
[ARCHITECT-ENGINEER
INDEFINITE-QUANTITY CONTRACT]
(NOV 1998)**

The term of this contract shall expire one year from the date of execution of this contract. However, all terms and conditions of this contract shall remain in full force and effect for any project added within the one-year term until completion of and payment for the services thereunder.

The Government may extend the term of this contract by written notice to the Contractor within the performance period specified in the schedule, provided that the Government will give the Contractor a preliminary written notice of its intent to extend before the contract expires. The preliminary notice does not commit the Government to an extension. The Government may exercise this option if: (1) a need for the services exists, and (2) performance in the first year has been satisfactory. If the Government exercises this option, the extended contract shall be considered to include this option provision.

The total duration of this contract, including the exercise of any options under this clause, shall not exceed _____ months for ordering purposes. (End of clause)

5252.217-9301 Option To Extend the Term of the Contract - Services. As prescribed in 17.208-100(b), insert the following clause:

**OPTION TO EXTEND THE TERM OF
THE CONTRACT - SERVICES
(JUN 1994)**

(a) The Government may extend the term of this contract for a term of one (1) to twelve (12) months by written notice to the Contractor within the performance period specified in the Schedule; provided that the Government shall give the Contractor a preliminary written notice of its intent to extend before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option provision.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed ____ months. [Insert number of months] (End of clause)

5252.222-9305 Work Performed By Individual Assigned Categories. As prescribed in 22.1006-100, insert the following clause:

**WORK PERFORMED BY INDIVIDUAL
ASSIGNED CATEGORIES (JUN 1994)**

Regardless of any individual employee's normally assigned category of labor, the functions being performed by that individual during any period of work at a specific site shall determine the rate to be paid for that employee (e.g., a Chemist who is performing the duties of a Technician, Level 1, shall be charged at the fixed rate for a Technician, Level 1, during the period of time he or she is performing those duties).
(End of clause)

5252.223-9300 Inspection By Regulatory Agencies.
As prescribed in 23.1000(a), insert the following clause:

**INSPECTION BY REGULATORY
AGENCIES (JUN 1994)**

Work performed under this contract is subject to inspection by State and Federal Government Regulatory agencies including those described below.

Permission has been granted by the Navy permitting Federal and State occupational health and safety officials to enter Navy shore installations, without delay and at reasonable times, to conduct routine safety and health investigations. Permission also extends to safety and health investigations based on reports of unsafe conditions. Occupational Health and Safety Administration (OSHA) officials may also investigate accidents or illnesses involving the Contractor's employees. Inspections may also be carried out by the Department of Labor to inspect for compliance with labor laws.

The Contractor shall cooperate with regulatory agencies and shall provide personnel to accompany the agency inspection or review teams. Contractor personnel shall be knowledgeable concerning the work being inspected, and participate in responding to all

requests for information, inspection or review findings by regulatory agencies. (End of clause)

5252.223-9301 Wildlife Preservation. As prescribed in 23.1000(b), insert the following clause:

**WILDLIFE PRESERVATION
(JUN 1994)**

(Insert name of activity) is a designated (insert description of designation). Before commencing work that may disturb wildlife, the Contractor shall obtain all necessary state, local and federal permits. Following is a list of applicable restrictions: (list as applicable)
(End of clause)

5252.228-9300 Individual Surety/Sureties. As prescribed in 28.203-100, insert the following provision:

**INDIVIDUAL SURETY/SURETIES
(JUN 1994)**

As prescribed in FAR 28.203(a), individual sureties will be permitted. In order for the Contracting Officer to make a determination as to the acceptability of individuals proposed as sureties, as prescribed in FAR 28-203(b), all proposers who submit bonds which are executed by individual sureties are requested to furnish additional information in support of SF-28, Affidavit of Individual Surety, with the bonds. Pursuant to Instruction 3(b) of Standard Form 24, the Bond, Standard Form 25, the Performance Bond, and the Standard Form 25A, the Payment Bond, the Contracting Officer requests the following information:

(a) Equity Securities (Stock):

(1) State the place(s) of incorporation and address of the principal place of business for each issuing corporation listed.

(2) State whether the security issued was issued by public or private offering and give the place of registration of the security.

(3) State whether the security is presently, actively traded.

(b) Debt Securities (Bonds) and Certificates of Deposit:

(1) List the type of bonds held and their maturity dates.

(2) State the name, address, and telephone number of the issuing agency, firm or individual.

(3) State the complete address(es) where the bonds are held.

(4) State whether the bonds have been pledged as security or have otherwise been encumbered.

(c) Real Property Interests:

(1) Provide complete recording data for the conveyance of each parcel or interest listed to the individual proposed as surety.

(2) State whether the values listed are based upon personal evaluation or evaluation of an experienced real estate appraiser. If available, provide copies of written appraisals.

(3) State the method(s) of valuation upon which appraisal is based.

(4) Provide the assessed value of each property interest listed utilized by the appropriate tax assessor for purposes of property taxation.

(5) Provide the telephone number, including area code, for the tax assessor who performed the most recent tax assessment.

(6) State whether each real property interest listed is currently under lien or in any way encumbered and the dollar amount of each such lien or encumbrance.

(d) Persons Proposed as Individual Sureties:

(1) A current list of all other bonds (bid, performance, and payment) on which the individual is a surety and bonds for which the individual is requesting to be a surety.

(2) A statement as to the percent of completion of projects for which the individual is bound on a performance bond.

This information is necessary to enable the Contracting Officer to evaluate the sufficiency of the surety's net worth in a timely manner. (End of provision)

5252.228-9302 Bid Guarantee. As prescribed in 28.101-2-100(a)(1), insert the following provision:

BID GUARANTEE (JAN 1996)

To assure the execution of the contract and the performance and payment bonds, each bidder/offeror shall submit with its bid/offer a guarantee bond (Standard Form 24) executed by a surety company holding a certificate of authority from the Secretary of the Treasury as an acceptable surety, or other security

as provided in FAR Clause 52.228-1, "Bid Guarantee".

Security shall be in a penal sum equal to at least 20 percent of the largest amount for which award can be made under the bid submitted, but in no case to exceed \$3,000,000. The bid guarantee bond shall be accompanied by a copy of the agent's authority to sign bonds for the surety company. (End of provision)

ALTERNATE I – As prescribed in 28.101(a)(2), for indefinite quantity and JOC contracts, substitute "...largest amount for which award can be made...." in the basic provision with "...price payable for the contract guaranteed minimum".

ALTERNATE II – As prescribed in 28.101(a)(3), for combination firm fixed-price/indefinite quantity facility support service contracts where the firm fixed-price portion constitutes the guaranteed minimum, substitute "... largest amount for which award can be made" in the basic provision with either "...the firm fixed-price portion of the contract. If the firm fixed-price portion and a minimum amount of the indefinite quantity portion will constitute the guaranteed minimum, substitute "...largest amount for which award can be made" for "...the firm fixed-price portion and the guaranteed minimum amount of the Indefinite Quantity portion of the contract."

ALTERNATE III - As prescribed in 28.101(a)(4), for requirements solicitations, replace "...largest amount for which award can be made..." in the basic provision with "...price payable for the estimated quantity".

5252.228-9305 Notice of Bonding Requirements. As prescribed in 28.102-3-100(a), insert the following clause:

**NOTICE OF BONDING REQUIREMENTS
(JAN 1996)**

Within ____ days after receipt of award, the bidder/offeror to whom the award is made shall furnish the following bond(s) each with satisfactory security; ____ A Performance Bond (Standard Form 25). The performance bond shall be in a penal sum equal to 100% percent of the contract price.

____ A Payment Bond (Standard Form 25A). The payment bond shall be in a penal sum equal to

(1) 50% of the contract price if the contract price is not more than \$1 million;

(2) 40% of the contract price if the contract price is more than \$1 million but not more than \$5 million; or

(3) \$2.5 million if the contract price is more than \$5 million.

Any surety company holding a certificate of authority from the Secretary of Treasury as an acceptable Surety on Federal bonds will be accepted.

Individual sureties will be permitted as prescribed in FAR 28.203 and FAC 5252.228-9300. Alternative types of security in lieu of furnishing sureties on performance and/or payment bonds will be permitted as prescribed in FAR 28.204, and will be held for at least one year after the completion of the contract. Additional bond security may be required as prescribed in FAR 52.228-2. Bonds shall be accompanied by a document authenticating the agent's authority to sign bonds for the surety company.

The contract time for purposes of fixing the completion date, default, and liquidated damages shall begin to run ____ days from the date of award, regardless of when performance and payment bonds or deposits in lieu of surety are executed. (End of clause)

ALTERNATE I – As prescribed in 28.102-3-100(b), for indefinite quantity solicitations, substitute "contract price" in the basic provision with "the price payable for the contract guaranteed minimum".

ALTERNATE II – As prescribed in 28.102-3-100(c), for combination firm fixed-price/indefinite quantity solicitations where the firm fixed-price portion constitutes the guaranteed minimum, replace "contract price" in the basic provision with "the price payable for the firm fixed-price portion". Where the firm fixed-price portion and a percentage of the indefinite quantity portion will constitute the guaranteed minimum, substitute "contract price" in the basic provision with "the price payable for the firm fixed-price portion and the guaranteed minimum amount of the IQ portion".

ALTERNATE III - As prescribed in 28.102-3-100(d), for requirements solicitations, substitute "contract price" in the basic provision with "the price payable for the estimated quantity".

5252.228-9306 Performance Guarantee. As prescribed in 28.101-2-100(b), insert the following clause:

PERFORMANCE GUARANTEE (JUN 1994)

Submittal Time. The bidder whose bid is accepted shall furnish a performance guarantee within ten (10) days after the contract forms are presented to him for signature. If he fails to give such guarantee within ten (10) days, his contract may be terminated for default. In such event he shall be liable for any cost of procuring the work which exceeds the amount of his bid and the bid guarantee shall be available toward offsetting such difference.

Form of Performance Guarantee. The bidder whose bid is accepted shall furnish a performance guarantee in the form of a cashier's check to the order of the (Office Designated for Contract Administration) in the amount of eight percent (8%) of the contract price, which will be cashed and deposited in the account of the U. S. Government. The performance guarantee shall take effect upon the date of signature of the contract and remain valid and irrevocable until one (1) year after the work has been finally inspected and accepted by the Government. However, upon acceptance of all work by the Government, the Contractor may, with the approval of the Contracting Officer, replace this guarantee with a reduced guarantee in the amount of four percent (4%) of the then existing contract price, with modifications, if any. Such replacement guarantee will then remain in effect for one year after the final acceptance of the work by the Government.

Optional Performance Bond. In lieu of a performance guarantee in the above stated form of a cashier's check, the Contractor may submit a performance bond in which the Contractor and the surety obligate themselves in the amount of ten percent (10%) of the contract price, that the Contractor shall undertake the performance of the contract and that said performance bond ensures the fulfillment of all agreements contained in the contract.

a. The bond shall be from a registered bank, bonding firm, or registered insurance firm approved by the Contracting Officer.

b. The bond shall be of the U. S. standard type or of another approved type and shall include the

following concepts: (1) name of Surety and name of agent signing in behalf of Surety; (2) name of Principal; (3) a statement that the Principal and Surety are firmly bound on the United States of America in the penal sum of the bond; (4) Contract number; (5) Penal sum of bond and the statement "This bond will be in force until the Contracting Officer of the above-cited Contract authorized cancellation of the bond"; and (6) date of issuance of bond and signature of Surety's agent. (End of clause)

5252.229-9302 Consumption Tax Exemption Procedures on Purchase of Goods and Services By the United States Armed Forces in Japan [Japanese Law No. 108, 1988]. As prescribed in 29.402-100(a), insert the following clause:

**CONSUMPTION TAX EXEMPTION
PROCEDURES ON PURCHASE
OF GOODS AND SERVICES BY THE
UNITED STATES ARMED FORCES IN
JAPAN [JAPANESE LAW NO. 108, 1988]
(JUN 1994)**

(a) The Consumption Tax Law (Law No. 108, 1988) was enacted in the Diet of Japan on 24 December 1988, and applied from April 1, 1989. The Government of Japan (GOJ) and the United States Government (USG), in accordance with paragraph 3, Article XII, of the "The Agreement Under Article VI of the Treaty of Mutual Cooperation And Security Between Japan And The United States of America Regarding Facilities And Areas And The Status of United States Armed Forces In Japan" (SOFA), have agreed upon procedures for exempting the United States from the Consumption Tax on the following transactions upon appropriate certification:

(1) Goods and services purchased in Japan for official purposes of the U. S. Armed Forces by the U. S. Armed Forces or its authorized procurement agencies;

(2) Goods and services purchased in Japan, by persons, including corporations, who are designated by the USG in accordance with the provisions of paragraphs 1 and 2, Article XIV of the SOFA (Article XIV Contractors), solely for the purpose of performing the business of construction, maintenance or operation under the contract for construction, etc., for use by the U. S. Armed Forces, or film and gasoline purchased in

Japan by Article XIV Contractors solely for the business activities described above.

(b) The underlying objective is to obtain the full amount of the exemption from the tax on U.S. Forces procurements immediately at the time of purchase, and at the same time give the Contractor a proof of purchase document, acceptable to GOJ tax authorities, which he/she can present to the tax authorities to obtain a tax credit and/or refund for tax already collected and paid by previous sellers.

(c) By the submission of their offer, the offeror certifies that Japanese consumption tax is not part of the bid price, nor will it be a part of any subsequent modification to the contract. Procedures for Contractors to obtain a consumption tax credit are described in a handbook that may be obtained from the Procuring Contracting Office. (End of clause)

5252.229-9304 Tax Relief. As prescribed in 29.402-100(b)(1), insert the following clause:

TAX RELIEF (JUN 1994)

Price contained in the bids are exclusive of all taxes and duties which the U. S. Government is exempted from by virtue of any tax agreements between the U. S. Government and the Contractor's Government. Relief from Italian taxes and duties for the Prime Contractor only is provided in accordance with an Agreement of 5 March 1952 between the Government of the United States of America and Italy.

The Contractor's obligation to pay the tax or duty is not removed by the Agreement; however, the Contractor may obtain relief from certain taxes and duty by contacting the Italian Ministry of Industry. With reference to the value added tax (IVA) which became effective in Italy on 1 January 1973, Article 72 of the IVA implementing decree authorizes an exemption from the total accumulated amount of IVA tax on all goods supplied and services rendered to U. S. military commands, provided, however, that the United States of America shall not be liable for the interest on any such sums accruing to the Contractor under such agreement because of delay or failure on the part of the Italian Government to pay such refunds.

(b) Use of AE 302 forms is hereby authorized. The purpose of the AE 302 procedure is to obtain exemption from taxes and custom duties which the U. S. Government and Government of Italy have agreed

shall not be applicable to defense purchases by or on behalf of the U. S. Forces in Italy. Signature on the AE 302 form by an authorized U. S. official only represents certification that the goods and materials imported into Italy are solely for the use of the U. S. Forces; this signature does not and is not intended to alter the other terms and conditions of this contract, including the terms concerning transfer of title of the goods and materials. USE OF THE AE 302 PROCEDURES SHALL NOT BE CAUSE TO ASSERT ANY CLAIM, INCLUDING DELAYS INCIDENT TO OBTAINING U. S. AUTHORIZED OFFICIALS TO CERTIFY THE AE 302 FOR EACH SHIPMENT. (End of clause)

ALTERNATE I (JUN 1994). As prescribed in 29.402-100(b)(2), substitute the following paragraph for the basic clause:

By terms of the Agreement between the Government of Spain and the Government of the United States, the operations and expenditures of Contractors, their material suppliers and certain of their subcontractors made pursuant to a contract with the Government of the United States are relieved of Spanish taxation. These tax exemptions include but are not limited to import duties, transaction taxes, provincial and municipal taxes. In this connection, bidders are advised to consider Royal Decree 669/1986 dated 21 March which governs the matter of Value Added Tax exemption. An allowance for taxes which are properly assessable by the Government of Spain will be deemed to have been included in any bid submitted and the resulting contract price. See "TAXES - FOREIGN FIXED-PRICE CONTRACT" of the contract clauses for the Contractor's warranty regarding the inclusion of taxes in the contract price. (End of clause)

ALTERNATE II (JUN 1994). As prescribed in 29.402-100(b)(3), substitute the following paragraph for the basic clause.

The U.S. Government is exempt from Greek taxes as described in applicable agreements between the two countries. Article 22 of the January 1987 Greek Tax Law describes tax exempt organizations. Article 27 of the Tax Law details procedures for Contractors to use to obtain reimbursement for taxes paid doing business

for tax exempt organizations. Inquiries regarding this tax law should be directed to the appropriate office within the Government of Greece. Value Added Tax is not reimbursable by the U.S. Government under the contract to be issued pursuant to this solicitation. Imported goods may be consigned directly to the U.S. Government if it alleviates requirement to pay custom duties. (End of clause)

5252.232-9300 Contractor Accounting System--Segregation of Costs. As prescribed in 32.111-100(a), insert the following clause:

**CONTRACTOR ACCOUNTING
SYSTEM--SEGREGATION OF COSTS
(JUN 1994)**

The Contractor shall employ an accounting system for this contract to identify and record site specific costs on a site specific activity basis. Site specific cost documentation must be readily retrievable and sufficiently identifiable to enable cross-referencing with payment vouchers. (End of clause)

5252.232-9301 Payment for Design Under Fixed-Price Design-Build Contracts. As prescribed in 32.100(b), insert the following clause:

**PAYMENT FOR DESIGN UNDER FIXED-
PRICE DESIGN-BUILD CONTRACTS
(JUL 1998)**

(a) The contracting officer may approve progress payments for work performed during the project design phase up to the maximum amount of four (4) percent of the contract price.

(b) Contractor invoices for payment must be accompanied by satisfactory documentation supporting the amounts for which payments are requested. Progress payments approved by the contracting officer during the project design phase in no way constitute an acceptance of functional and aesthetic design elements nor acceptance of a final settlement amount in the event of a buy-out nor a waiver of any contractual requirements. (End of clause)

5252.232-9302 Limitation on Extent of Government Liability in the Event of a Buy-Out

Prior to Commencement of Construction. As prescribed in 32.705-100, insert the following clause:

**LIMITATION ON EXTENT OF
GOVERNMENT LIABILITY IN THE EVENT
OF A BUY-OUT PRIOR TO
COMMENCEMENT OF CONSTRUCTION
(JUL 1998)**

(a) For the purposes of this clause, functional elements are defined as room layout and space allocations as determined by partitions, doors, or other architectural features. Aesthetic elements are defined as the facility's visual appearance and appeal.

(b) If the government and the contractor are unable to mutually agree on the functional and aesthetic elements of the project design, the government may initiate a buy-out of the contract prior to the commencement of construction for a maximum settlement amount not to exceed four (4) percent of the contract amount. This amount shall be negotiated based on a reasonable cost incurred and may include a reasonable profit.

(c) Actions taken by the government pursuant to this clause shall in no way be considered a termination for default. Upon payment of all negotiated amounts, all responsibilities and obligations of the parties are discharged.

5252.236-9300 Limitations On Authority Of Architect-Engineer. As prescribed in 36.609-100(a) insert the following clause:

**LIMITATIONS ON AUTHORITY OF
ARCHITECT-ENGINEER
(JUN 1994)**

Unless specific exceptions are established by a written instruction issued by the Contracting Officer, the architect-engineer firm:

(a) Shall not authorize any deviation from the construction contract documents or approve any substitute materials or equipment.

(b) Shall not exceed limitations on the Government's authority as set forth in construction contract documents.

(c) Shall not undertake any of the responsibilities of the contractor, subcontractors, construction

Contractor's Superintendent or Contractor Quality Control Representative.

(d) Shall not expedite or accelerate the work of construction contractor and subcontractors.

(e) Shall not advise on or issue directions relative to any aspect of the means, methods, techniques, sequences or procedures of construction unless such is specifically called for in construction contract documents.

(f) Shall not authorize or advise users to occupy projects in whole or in part, unless agreed to by the Contracting Officer. (End of clause)

5252.236-9301 Special Working Conditions and Entry to Work Area. As prescribed in 36.5100(a), insert the following clause:

**SPECIAL WORKING CONDITIONS AND
ENTRY TO WORK AREA (JUN 1994)**

Denial of entry to the work areas under this contract may be required by the Government under certain circumstances where the Contractor's work or presence would constitute a safety or security hazard to ordnance storage or handling operations. Restrictions covering entry to and availability of the work areas are as follows:

(a) Entry. Entry to work areas located within the special Security Limited areas, defined as those work areas located within the existing security fence, can be granted subject to special personnel requirements as specified herein and to other normal security and safety requirements. Complete denial of entry to the Limited Area may be required during brief periods of one to two hours (normally) and on rare occasions of two to four hours. For bidding purposes, the Contractor shall assume denial of entry to the work areas in the Limited Area of six 2-hour denials and one 4-hour denial per month.

(b) Vehicle Delay. The Contractor shall also assume for bidding purposes that, in addition to site denial, each vehicle and/or unit of construction equipment will be delayed during each movement through the security gate, both entering and leaving the limited area. Delays will average _____.

Operational Considerations. To reduce delay time while preserving required security, the following points should be considered in operational planning:

a. Vehicle Search. Security regulations required that all vehicles, when authorized to enter the Limited Area be thoroughly searched by guard force personnel. Such a search will be required for all vehicle/construction equipment. Accordingly, once a vehicle or unit of construction equipment has been cleared, it may be left in the Limited Area after initial entry has been made. For the period of time authorized the vehicle/equipment left in the Limited Area will be assigned parking areas by the Contracting Officer. The vehicle/equipment must be secured as specified in paragraph entitled "SECURITY REQUIREMENTS." The intent is to reduce the Contractor loss of time at the security gate. No private vehicles will be allowed to enter the Limited Area.

b. Delivery Vehicles. Vehicles delivering construction materials will be inspected by guard force personnel while the driver is being processed for entry into the Limited Area. The driver and vehicle will then be escorted in the Limited Area by a Security Escort. To provide this service, delivery schedules should be promulgated in advance and vendors made aware that a reasonable delay can be expected if delivery is other than the time specified. Deliveries after 1600 hours will not be allowed entry into the Limited Area without prior approval of the Physical Security Officer. (End of clause)

5252.236-9302 Architect-Engineer Contracts For Consultation and Advice. As prescribed in 36.609-100(b), insert the following clause:

**ARCHITECT-ENGINEER CONTRACTS FOR
CONSULTATION AND ADVICE
(JUN 1994)**

In addition to the services required by any other contract provisions, the Contractor shall provide work-days of general engineering services and consultation at the construction site or at such other locations as the Government may desire, when and as required by the Contracting Officer during the course of construction. (End of clause)

5252.236-9303 Accident Prevention. As prescribed in 36.5100(b), insert the following clause:

ACCIDENT PREVENTION (NOV 1998)

(a) The Contractor will maintain an accurate record of, and will report to the Contracting Officer in the manner and on the forms prescribed by the Contracting Officer, all accidents resulting in death, traumatic injury, occupational disease, and damage to property, materials, supplies and equipment incident to work performed under this contract.

(b) Compliance with the provisions of this article by subcontractors will be the responsibility of the Contractor.

(c) Prior to commencement of the work, the Contractor may be required to:

(1) submit in writing his proposals for effectuating provision for accident prevention;

(2) meet in conference with representatives of the Contracting Officer to discuss and develop mutual understandings relative to administration of the overall safety program. (End of clause)

5252.236-9304 Utilities For Construction and Testing. As prescribed in 36.5100(c), insert the following clause:

**UTILITIES FOR CONSTRUCTION AND
TESTING (JUN 1994)**

The Contractor shall be responsible for obtaining, either from available Government sources or local utility companies, all utilities required for construction and testing. The Contractor shall provide these utilities at his expense, paid for at the current utility rate delivered to the job site. The Contractor shall provide and maintain all temporary utility connections and distribution lines, and all meters required to measure the amount of each utility used. (End of clause)

5252.236-9305 Availability of Utilities. As prescribed in 36.5100(d), insert the following clause:

AVAILABILITY OF UTILITIES (JUN 1994)

When available, the Government will furnish reasonable amounts of the following utilities for the work to be performed under this contract at no cost to the Contractor. Information concerning the location of existing outlets may be secured from the OIC. The Contractor shall provide and maintain, at his expense, the necessary service lines from existing Government outlets to the site of work.

Electric - Water - Compressed Air

Contractor Furnished Utilities. In the event that the Government is unable to provide the required types of utilities, the Contractor shall, at his expense, arrange for the required utilities.

Contractor Energy Conservation. The Contractor shall be directly responsible for instructing employees in utilities conservation practices. The Contractor shall be responsible for operating under conditions which preclude the waste of utilities, which shall include:

- a. Lights shall be used only in areas where and at the time when work is actually being performed.
- b. Mechanical equipment controls for heating, ventilation and air conditioning systems will not be adjusted by the workers.
- c. Water faucets or valves shall be turned off after the required usage has been accomplished.

Telephone Lines. Telephone lines for the sole use of the contractor will not be available. Government telephones shall not be used for personal reasons.

Contractor Availability. The contractor shall maintain a telephone at which he or his representative may be reached 24 hours daily. The telephone shall be listed in the contractor's name. If the contractor does not have a local telephone, he shall maintain a toll free emergency telephone (or accept collect calls from authorized Government personnel) at which he or his representative may be reached at night, weekends and holidays. It is mandatory that the contractor or his representative be available to a toll-free telephone 24 hours per day, seven days per week, including holidays. He shall notify the OIC in writing of the mailing address and telephone number within three days after award of this contract and immediately thereafter in the event of change. (End of clause)

5252.236-9307 Drawings Prepared By an Architect-Engineer. As prescribed in 36.609-100(c), insert the following clause:

**DRAWINGS PREPARED BY AN
ARCHITECT-ENGINEER (JUN 1994)**

The engineer or architect signing the drawings must be registered in the country of record for the architect-engineer firm or the country of the proposed construction -- as a Professional Engineer (P.E.) or Registered Architect (R.A.). In addition, the drawings

shall be signed by a responsible person of corporate status in the architect-engineer firm and stamped with his/her registration seal when the seal is authorized by the country where the project is to be constructed. (End of clause)

5252.236-9308 Information Concerning Cost Limitations. As prescribed in 36.5100(e), insert the following provision:

**INFORMATION CONCERNING COST
LIMITATIONS (JUN 1994)**

The Navy has available _____ for the award of this contract. Proposals in excess of this amount will not be considered. Proposers should prepare their proposals so as to permit award at a price within the cost limitation. The Basis of Award is specified in paragraph _____. The type of construction, materials and physical amenities provided for any type unit, including senior officer and flag officers, shall be generally similar to those proposed for any other unit in the project and that the cost per net square foot to the 5 foot line of all units in the project be approximately the same. (End of provision)

5252.236-9309 Key Personnel. As prescribed in 36.609-100(d), insert the following clause:

KEY PERSONNEL (JUN 1994)

The Architect-Engineer (A-E) shall employ the following professional personnel to perform the services required under this contract. Prior to starting work, the A-E will forward to the Contracting Officer a resume for the individual(s) assigned to each discipline to be utilized. No substitution will be made without the advance written approval of the Contracting Officer, after he has reviewed the proposed replacement's experience and qualifications record submitted by the architect-engineer firm with explanation of the necessity for the change. No increase in salary rates will be allowed when personnel substitution is authorized.

<u>DISCIPLINE</u>	<u>NAME</u>	<u>JOB</u>	<u>TITLE</u>
(End of clause)			

5252.236-9310 Record Drawings. As prescribed in 36.5100(f)(1), insert the following clause:

RECORD DRAWINGS (JUN 1994)

The Contractor shall maintain at the job site two sets of full-size prints of the contract drawings, accurately marked in red with adequate dimensions, to show all variations between the construction actually provided and that indicated or specified in the contract documents, including buried or concealed construction.

Special attention shall be given to recording the horizontal and vertical location of all buried utilities that differ from the contract drawings. Existing utility lines and features revealed during the course of construction, shall also be accurately located and dimensioned. Variations in the interior utility systems shall be clearly defined and dimensioned; and coordinated with exterior utility connections at the building five-foot line, where applicable. Existing topographic features which differ from those shown on the contract drawings shall also be accurately located and recorded. Where a choice of materials or methods is permitted herein, or where variations in scope or character of methods is permitted herein, or where variations in scope or character of work from that of the original contract are authorized, the drawings shall be marked to define the construction actually provided.

The representations of such changes shall conform to standard drafting practice and shall include such supplementary notes, legends, and details as necessary to clearly portray the as-built construction. These drawings shall be available for review by the Contracting Officer at all times. Upon completion of the work, both sets of the marked up prints shall be certified as correct, signed by the Contractor, and delivered to the Contracting Officer for his approval before acceptance. Requests for partial payments will not be approved if the marked prints are not kept current, and request for final payment will not be approved until the marked prints are delivered to the Contracting Officer. (End of clause)

ALTERNATE I (JUN 1994). As prescribed in 36.5100(f)(2), when as-built drawings are not required, substitute the following paragraph for the basic clause:

Record drawings will not be required. (End of clause)

5252.237-9300 Schedule of Deductions. As prescribed in 37.6100-5(a), insert the following clause:

SCHEDULE OF DEDUCTIONS (NOV 1998)

Within fifteen (15) days after the contract award, the successful Contractor shall provide an acceptable Schedule of Deductions for the base period and each option year of the contract. No work may commence until such Schedule of Deductions is approved by the Contracting Officer. The total of the Schedule of Deductions must equal the amount entered in Contract Line Item ____ [fill in blank]. If for any reason this contract is modified, including the exercise of an option, and the modification affects the schedule of deductions, the contractor shall submit a revised schedule of deductions within fifteen (15) days of the date of the modification. Prices shown in the Schedule of Deductions will be utilized in conjunction with the "CONSEQUENCES OF THE CONTRACTOR'S FAILURE TO PERFORM REQUIRED SERVICE" clause in making deductions to the contract price for nonperformed or unsatisfactory work.

Unbalancing in the Schedule of Deductions submitted shall be the cause for withholding approval and requiring resubmittal of a balanced schedule. The Contractor's failure to provide an approved Schedule of Deductions shall be grounds for TERMINATION FOR DEFAULT. The Government reserves the right to unilaterally establish a Schedule of Deductions in the event the successful Contractor fails to present the Schedule of Deductions within fifteen (15) calendar days of the date of contract award or presents a Schedule of Deductions which is unbalanced or materially deficient. The approved Schedule of Deductions shall be part of the contract. DO NOT SUBMIT the Schedule of Deductions with the offer. (End of clause)

5252.237-9301 Substitutions of Key Personnel. As prescribed in 37.6100-5(b), insert the following clause:

**SUBSTITUTIONS OF KEY PERSONNEL
(JUNE 1994)**

The Contractor shall provide complete resumes for proposed substitutes, and any additional information requested by the Contracting Officer. Proposed substitutes should have comparable qualifications to

those of the persons being replaced. The Contracting Officer will notify the Contractor within 15 days after receipt of all required information of the consent on substitutes. No change in fixed unit prices may occur as a result of key personnel substitution. (End of clause)

5252.237-9302 Site Visit. As prescribed in 37-6100-5(c), insert the following provision:

SITE VISIT (JUL 1995)

(a) The site will be available for visitation at (indicate hours and days the site of work will be available to potential bidders/offerors).

OR

Arrangements to visit the site may be made by contacting (insert contact point) during regular working hours at (insert telephone number). Site visits are restricted to regular working hours.

(b) Visitors may be required to present documentation evidencing personal identification and firm affiliation. (End of clause)

5252.242-9300 GOVERNMENT REPRESENTATIVES. As prescribed in 42.570-100(a), insert the following clause:

**GOVERNMENT REPRESENTATIVES
(OCT 1996)**

(a) The contract will be administered by an authorized representative of the Contracting Officer. In no event, however, will any understanding or agreement, modification, change order, or other matter deviating from the terms of the contract between the Contractor and any person other than the Contracting Officer be effective or binding upon the Government, unless formalized by proper contractual documents executed by the Contracting Officer prior to completion of this contract. The authorized representative as indicated hereinafter:

____(1) The Contracting Officer's Representative (COR) will be designated by the Contracting Officer as the authorized representative of the Contracting Officer. The COR is responsible for monitoring performance and the technical management of the effort required hereunder, and should be contacted regarding questions or problems of a technical nature.

____(2) The designated Contract Specialist will be the Administrative Contracting Officer's representative on all other contract administrative matters. The Contract Specialist should be contacted regarding all matters pertaining to the contract or task/delivery orders.

____(3) The designated Property Administrator is the Administrative Contracting Officer's representative on property matters. The Property Administrator should be contacted regarding all matters pertaining to property administration. (End of clause)

5252.242-9305 Pre-Performance Conference. As prescribed in 42.570-100(b), insert the following clause:

**PRE-PERFORMANCE CONFERENCE
(JUL 1995)**

Within ____ days of contract award, prior to commencement of the work, the Contractor will meet in conference with representatives of the Contracting Officer, at a time to be determined by the Contracting Officer, to discuss and develop mutual understanding relative to scheduling and administering work. (End of clause)

5252.245-9300 Government-Furnished Property, Materials and Services. As prescribed in 45.106-100(a), insert the following clause:

**GOVERNMENT-FURNISHED
PROPERTY, MATERIALS AND SERVICES
(DEC 1994)**

In accordance with FAR 52.245-2, "GOVERNMENT PROPERTY (FIXED-PRICE CONTRACTS) (DEC 1989)" clause, Section I, the Government will provide the Contractor the use of Government-owned **!MODIFY AS REQUIRED!** facilities, equipment, materials, and utilities for use only in connection with this contract. All such facilities, equipment, and materials will be provided in "as is" condition, and their use is at the option of the Contractor. The use of Government-furnished property and services for other purposes is prohibited.

(a) Government-Furnished Facilities. The Government will furnish or make available to the Contractor the facilities described in Attachment J-C.

The Contractor shall be responsible and accountable for such facilities accepted for use and shall take adequate precautions to prevent fire hazards, odors, and vermin. Janitorial and refuse collection services for Government-furnished facilities shall be provided by the Contractor. The Contractor shall obtain written approval from the Contracting Officer prior to making any modifications or alterations to the facilities. Any such modifications or alterations approved by the Government will be made at the expense of the Contractor. At the completion of the contract all facilities shall be returned to the Government in the same condition as received, except for reasonable wear and tear.

(b) Government-Furnished Equipment. The Government will provide the Contractor the use of existing and available Government-owned equipment as listed in Attachment J-C_. (1)

The Contractor shall provide periodic servicing, maintenance, and repair of the equipment accepted for use. Servicing, maintenance, and repair shall be provided in accordance with the manufacturer's recommendations, and records of all work performed shall be maintained and made available to the Contracting Officer upon request.

(2) The total or partial breakdown or failure of the Government-furnished equipment shall not relieve the Contractor of responsibility to fully perform the work of the contract. Upon completion or termination of the contract, all Government-owned equipment shall be returned to the Government in the same condition as received, except for normal wear and tear. Equipment which becomes worn out due to normal wear and tear shall be returned to the Government and its replacement shall be the responsibility of the Contractor at no additional cost to the Government. The Contractor shall be responsible for the cost of any repairs or replacement caused by negligence or abuse.

(3) The Contractor and the Contracting Officer shall conduct a joint inventory before commencing work under this contract to determine the exact number and serviceability of Government-furnished equipment. The Contractor shall then certify the findings of this inventory, assume accounting responsibility, and subsequently report inventory discrepancies to the Contracting Officer. Government-furnished equipment shall not be removed from the military base/facility unless approved by the Contracting Officer in writing.

(c) Government-Furnished Material. The Government will furnish the material described in Attachment J-C_ to the Contractor on a one time basis.

The Contractor and the Contracting Officer shall conduct a joint inventory before commencing work to determine the exact amount and serviceability of Government-furnished materials. The Contractor shall then certify the findings of this inventory, assume accounting responsibility for all materials accepted for use, and provide documentation supporting issue/use of such material. Upon depletion of material provided to the Contractor by the Government, the Contractor shall furnish all material to perform the work of the contract, except as otherwise specified herein. Upon completion or termination of this contract a second joint inventory shall be conducted, if necessary, of all unused Government-furnished materials. The Contractor shall be held liable for all materials which cannot be accounted for by issue/use documentation.

(d) Availability of Utilities. The Government will furnish (indicate utilities provided such as electricity, steam, natural gas, fresh water, and sewage services) at existing outlets for use in those facilities provided by the Government, and as may be required for the work to be performed under the contract. Information concerning the location of existing outlets may be obtained from the Contracting Officer. The Contractor shall provide and maintain, at his expense, the necessary service lines from existing Government outlets to the site of work.

(1) Utilities specified above will be furnished at no cost to the Contractor.

-OR-

(1) The Contractor shall pay for utilities consumed and shall, at its expense, install meters as required by the Contracting Officer to measure consumption of utilities provided by the Government. Rates for reimbursement to the Government of metered utilities will be list the rates of reimbursement per type of service provided.

(2) A restricted telephone line (USOC Class RS4) for on base calls will be provided by the Government at no cost to the Contractor. The Contractor shall install commercial telephone service, and all service and toll charges shall be paid for by the Contractor.

(e) Availability of Services. The Government will/will not provide custodial services and/or refuse collection from existing collection points. Attachment J-C___ contains a listing of the services provided by

the government. If the Government does not provide refuse collection, the contractor will be required to dispose of all garbage and other waste materials generated by his work at a licensed off site landfill.
(End of clause)

5252.245-9302 Limited Assumption of Risk By Government.

As prescribed in 45.106-100(b), insert the following clause:

**LIMITED ASSUMPTION OF RISK
BY GOVERNMENT (JUN 1994)**

(a) Title of all work in place shall be in the Government, and title to all property intended for incorporation in the work shall vest in the Government upon delivery thereof to the site of the work. The term "Government-owned property" as used in this clause refers to such work in place and to such other property as to which title has vested in the Government and includes any property furnished or rented to the Contractor by the Government. Upon completion of the work, any such Government-owned property not a part of the work (except property rented to, or furnished without charge to the Contractor by the Government) shall become the property of the Contractor. The vesting of title in the Government, as provided in this paragraph, shall in no way relieve the Contractor of any obligations otherwise provided in this contract in respect to such Government-owned property except as expressly stated in paragraph (b) of this clause.

(b) The Contractor represents that the contract price does not include the cost of insurance, nor any provision for a reserve, covering the risk assumed by the Government under this paragraph.

The Government assumes the risk of loss or damage to such Government-owned property (including expenses incidental to such loss or damage) which results directly or indirectly from the explosion of Government-owned or controlled munitions (including, without limitations, ammunition, bombs, powder, dynamite and other explosives), whether or not caused by negligence, except that the Government does not assume at any time the risk of, and the Contractor shall be responsible for, such loss or damage (1) which is in fact covered by insurance or for which Contractor is otherwise reimbursed, or (2) which

results from disregard of proper instructions of the Contracting Officer, on the part of any of the Contractor's directors, officers or any other representatives having supervision or direction of all or substantially all the Contractor's operations under this contract.

(c) In the event of loss or damage to Government-owned property resulting from the risk assumed by the Government hereunder, the Contracting Officer shall determine whether, and to what extent, such property shall be rebuilt, repaired or replaced by the Contractor or otherwise. Should this determination cause an increase or decrease in the cost of doing the work under this contract or time required for its performance, an equitable adjustment shall be made as provided in the changes clause of the contract.

(d) The provisions contained in the statement of work under "Permits and Responsibilities," are to be deemed modified by this clause only to the extent required to give effect to the limited assumption of risk provided in this clause. (End of clause)

5252.246-9303 Consequences of Contractor's Failure To Perform Required Services. As prescribed in 46.407-100(b), insert the following clause:

**CONSEQUENCES OF CONTRACTOR'S
FAILURE TO PERFORM REQUIRED
SERVICES (MAR 1996)**

The Contractor shall perform all of the contract requirements. The Government will apply one or more of the surveillance methods mentioned below and will deduct an amount from the Contractor's invoice or otherwise withhold payment for unsatisfactory or nonperformed work. The Government reserves the right to change surveillance methods at any time during the contract without notice to the Contractor.

(a) **STATISTICALLY EXTRAPOLATED SURVEILLANCE METHOD.** The Government may apply a statistically extrapolated surveillance method (Random Sampling for Extrapolated Deductions) to any contract requirement to determine Contractor compliance. The defect rate will then be extrapolated to the monthly population to determine the number of unsatisfactorily performed work occurrences. The monthly population is the total

number of work occurrences that are required to be performed during the month.

(b) OTHER SURVEILLANCE METHODS.

The Government may apply other surveillance methods to determine Contractor compliance. These include, but are not limited to, 100% inspection, random sampling without extrapolated deductions, and planned sampling as primary surveillance methods; and incidental inspections and validated customer complaints as supplemental surveillance methods. When using these surveillance methods, deductions will be taken for all observed defects.

(c) PROCEDURES. In the case of unsatisfactory or nonperformed work, the Government:

(1) may give the Contractor written notice of observed deficiencies prior to deducting for unsatisfactory or nonperformed work and/or assessing liquidated damages. Such written notice shall not be a prerequisite for withholding payment for nonperformed work. The Government may specify, as provided for below, that liquidated damages can be assessed against the Contractor. Such liquidated damages are to compensate the Government for administrative costs and other expenses resulting from the unsatisfactory or nonperformed work.

(2) may, at its option, allow the Contractor an opportunity to reperform the unsatisfactory or nonperformed work, at no additional cost to the Government. In the case of daily work, corrective action must be completed within ____ hours of notice to the Contractor. In the case of other work, corrective action must be completed within ____ hours of notice. In addition, the Government can assess liquidated damages, as referenced above, in the amount of ____ percent of the value of all observed defects. The original inspection results of the Contractor's work will not be modified upon reinspection. However, the Contractor will be paid for satisfactorily reperformed work.

(3) shall deduct from the Contractor's invoice all amounts associated with the unsatisfactory or nonperformed work at the prices set out in the Schedule or provided by other provisions of this contract, unless the Contractor is required to reperform and satisfactorily complete the work. In addition, the Government can assess liquidated damages, as referenced above, in the amount of ____ percent of the value of all observed defects.

(4) may, at its option, perform the work by Government personnel or by other means. The Government will reduce the amount of payment to the Contractor, by the amount paid to any Government personnel (based on wages, retirement and fringe benefits) plus material, or by the actual costs incurred to accomplish the work by other means. If the actual costs cannot be readily determined, the prices set out in the Schedule will be used as the basis for the deduction. In addition, the Government can assess liquidated damages, as referenced above, in the amount of ____ percent of the computed cost.

(d) The Contractor is responsible for maintaining an effective Quality Control Program during the course of the contract. Failure to maintain adequate quality control may result in Termination for Default.

(e) Reperformance by the Contractor does not waive the Government's right to terminate for nonperformance in accordance with FAR clause 52.249-8, "DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)" of Section I and all other remedies for default as may be provided by law.

(f) When WATCHSTANDING SERVICES apply. If the Contractor fails to provide qualified personnel or allows any post to be unmanned for a total of ____ minutes in any shift, the Government may assign other persons to perform such work or deduct an amount from the Contractor's invoice as specified below;

(1) When Watchstanding Services are performed by Government employees, deductions shall be computed based on the current Federal Pay Schedule including wages, retirement and fringe benefits of the Government employees (civilian or military) who actually performed the work. In addition, the Government can assess liquidated damages, as referenced above, in the amount of ____ percent of the computed cost.

(2) When non-performed Watchstanding Services are obtained under another contract, the Government will deduct from the Contractor's invoice an amount equal to the cost to the Government under that contract. In addition, the Government can assess liquidated damages, as referenced above, in the amount of ____ percent of the cost.

(3) If no guard replacement is furnished by the Government and the work is not performed, the Government will deduct from the Contractor's invoice an amount equal to the cost to the Government of having a Government employee perform the work. In

addition, the Government can assess liquidated damages, as referenced above, in the amount of _____ percent of the computed cost.

(4) The Contractor will be held liable for property losses sustained by the Government as a direct, consequential result of a failure to furnish the required personnel.

(5) Computations of the costs for Government employees to perform work not performed by the Contractor shall be in conformance with FAR 52.222-42, "STATEMENT OF EQUIVALENT RATE FOR FEDERAL HIRES." (End of clause)

5252.246-9304 Estimating the Price of Nonperformed or Unsatisfactory Work. As prescribed in 46.407-100(c), insert the following clause:

**ESTIMATING THE PRICE OF
NONPERFORMED OR
UNSATISFACTORY WORK (JUN 1994)**

In accordance with the "CONSEQUENCES OF THE CONTRACTOR'S FAILURE TO PERFORM REQUIRED WORK" clause FAC 5252.246-9303, deductions may be taken for nonperformed or unsatisfactory work. In the event the price of nonperformed or unsatisfactory work cannot be determined from the prices set out in the Schedule, or on the basis of the actual cost to the Government, estimated methods may be used. Engineered Performance Standards (EPS) or other estimating sources may be utilized to estimate the cost of nonperformed work or the costs which would be incurred in remedying unsatisfactory work. The Government may estimate the cost using wage rate and fringe benefits included in the wage determinations included in the contract. Government estimates of the Contractor's overhead and profit rates, and Government estimates of material costs if applicable.

Liquidated damages, to compensate the Government for administrative costs and other expenses resulting from the nonperformed or unsatisfactory performance, will be calculated in accordance with the "CONSEQUENCES OF CONTRACTOR'S FAILURE

TO PERFORM REQUIRED WORK" clause. A list of Engineered Performance Standards is contained in Attachment J-____ [fill-in]. (End of clause)

5252.247-9300 Use of Privately Owned U.S.-Flag Commercial Vessels. As prescribed in 47.507(b), insert the following provision:

**USE OF PRIVATELY OWNED U.S.-
FLAG COMMERCIAL VESSELS (JUL 97)**

The FAR clause at 52.247-64, Alternate I, Preference for Privately Owned US-Flag Commercial Vessels, ALT. I., will be included in full text in any contract resulting from this solicitation. The Offeror is required to provide information related to the extent of ocean transport anticipated by checking one of the following:

[] The offeror represents that it does not anticipate a requirement for ocean transport of supplies, to include any ocean shipment of any subcontracted supplies/components, in connection with their offer. Notwithstanding this representation, the offeror recognizes the requirements of the clause entitled Preference for Privately Owned US-Flag Vessels, Alternate I', and will fully comply with these requirements in the event ocean transport is required.

[] The offeror represents that it anticipates a requirement for ocean transport of supplies, either at prime or subcontract level, in connection with their offer. The offeror recognizes the requirements of the clause entitled Preference for Privately Owned US-Flag Vessels, Alternate I. The offeror represents that the offer submitted is based on 100% use of US-Flag commercial vessels by itself and its subcontractors and further, that it will fully comply with all requirements of the above stated clause.

PART 53

FORMS

[NO P-68 UNIQUE TEXT]

APPENDIX A

NAVFAC REPORTING REQUIREMENTS

The following matrix is a summary of required reports. Requirements for negative reports are as noted. Unless otherwise noted, all reports shall be submitted to the NAVFAC Acquisition Proponent.

REPORT FORMAT MATRIX		
REPORT TITLE	REFERENCE	DUE DATE
Tuition Assistance Report	See NAVFAC ltr of 8 Nov 96 for reporting format	Submit to NFCTC by 10 January, 10 April, 10 July, 10 October of each year
PMAP Schedule Report	NAPS 5201.691-2	Submit to NAVFAC PMAP Team by 30 August of each year.
PMAP Annual Report	NAPS 5201.691-2	Submit to NAVFAC PMAP Team by 30 October of each year.
CLEAN/RAC Interim CTO Closeout Report	P-1070, P-1092	30 October of each year.
DCAA Audit Status Report	DoD Dir 7640.2	10 April, 10 October of each year.
Weighted Guidelines Report (DD 1547) [Disk submission]	DFARS 215.404-75, P-68 15.404-75	Submit to NAVSUPSYSCOM within 30 days from award of negotiated actions in excess of \$500,000.
CPARS Metrics Report	P-68 37.6100-4(c)	10 January, 10 April, 10 July, 10 October of each year
Extraordinary Contract Actions Report [Negative reply required]	DFARS 250.104, NAPS 5250.104, P-68 50.104	15 December of each year.
Labor Enforcement Report	FAR 22.406-13, P-68 22.406-13	10 April, 10 October of each year.
Davis-Bacon Act Wage Projection Report	DFARS 222.404, P-68 22.404	20 March of each year.
Claims/Terminations/DRB/ADR Report	P-68 33.9001-100, 33.214, 49.402-3	15 November of each year.
A-E Liability Processing Log	P-68 36.608	10 January, 10 April, 10 July, 10 October of each year.
CPARS Report	P-68 37.6100-4	10 January, 10 April, 10 July, 10 October of each year.
Utility Contract Action Report	P-68 41.4100	30 November of each year.
Minimum Contract Quality Assurance Training (MCQAT) Report	P-68 46.104-100	10 January, 10 April, 10 July, 10 October of each year.
Severable Service Contracts that Cross Fiscal Years	See NAVFAC memo (98-45) of 23 Sep 98 for reporting format	10 January, 10 April, 10 July, 10 October of each year.

SPECIAL REPORTING FORMATS

PERFORMANCE MEASUREMENT AND ASSISTANCE PROGRAM (PMAP) SCHEDULE REPORT.

Each EFD/EFA shall prepare on a fiscal year basis a three-year schedule of planned on-site visits for their subordinate activities. The schedule for the first fiscal year shall provide specific on-site visit dates. The second and third year schedules shall indicate the month and year.

CLEAN/RAC CONTRACT CTO CLOSEOUT REPORT.

EFDs/EFAs shall submit an annual that summarizes interimly closed CLEAN/RAC CTOs/TOs in the format provided in NAVFAC P-1070 and P-1092.

DCAA AUDIT STATUS REPORT.

DOD Directive 7640 sets forth the procedures and disposition plans for all reportable audits. All audits shall be logged, tracked and monitored until final disposition. A semiannual report shall be submitted to the NAVFAC Acquisition Proponent. A plan of action with milestones will be submitted for each audit over six months old. Whenever the Number Overage report shows an increase over the previous report, a management plan of action must be submitted describing the monitoring procedures established to ensure future progress. Audits closed during the reporting period shall also be reported showing the date they were closed and the amount sustained.

LABOR ENFORCEMENT REPORT.

A semiannual enforcement report on compliance with and enforcement of the Davis Bacon shall be prepared on NAVFAC Form 4350/1 (REV 2-88) and shall contain information regarding NAVFAC enforcement actions during the periods 1 October to 31 March and 1 April to 30 September.

CLAIMS/TERMINATIONS/DISPUTES RESOLUTION REPORT.

EFDs, EFAs and PWCs shall furnish an annual report that includes the following information:

CLAIMS

For each claim received during the fiscal year:

- (1) Contractor's name and address
- (2) Contract number, title and location
- (3) Contract award amount and date of award
- (4) Current contract price (including change orders)
- (5) Date of claim letter
- (6) Date claim certified
- (7) Date and place of Government's receipt of claim
- (8) Amount of claim (dollars and time)
- (9) Basis of claim
- (10) Activity claim number and the date that number was assigned
- (11) Current status:
 - Where is it?
 - Received by?
 - Forwarded to NAVFACENGCOM?
 - Has it been appealed?

Litigation workload for the fiscal year:

- | | |
|--|----------|
| (1) Total number of active appeals | _____ |
| Total dollar amount claimed | \$ _____ |
| (2) Number of new appeals docketed during the past six months (ASBCA/Court of Federal Claims) | _____ |
| Dollar amount of new appeals | \$ _____ |
| (3) Number of decisions issued (decisions attached) during the past six months | _____ |
| (a) Number denying appeal | _____ |
| (b) Number sustaining appeal | _____ |
| (c) Number of split decisions | _____ |
| (d) Number reporting agreement to settle | _____ |
| (e) Number dismissing appeal | _____ |
| (f) Other decisions (attach explanations) | _____ |
| (g) Dollar amount of claims while on appeal | \$ _____ |
| (h) Amount to be paid as directed by decisions | \$ _____ |
| (i) Other amounts (attach explanations) | \$ _____ |
| (j) Estimated litigation costs (attach breakdown) | \$ _____ |
| (4) Total amount paid during quarter | \$ _____ |
| (a) Amount of interest paid | \$ _____ |
| (b) Amount of attorney fees paid | \$ _____ |
| (5) Number of ongoing settlement negotiation appeals sustained or split decisions (attach listing) | \$ _____ |

Final Decision workload for the fiscal year:

- | | |
|---|------------|
| (1) Total number of claims received/dollar value: | / \$ _____ |
| (a) Number/dollar returned to field office for negotiations: | / \$ _____ |
| (b) Number/dollar forwarded to NAVFACENGCOM: | / \$ _____ |
| (c) Number/dollar withdrawn by contractor: | / \$ _____ |
| (d) Number/dollar within activity's final decision authority: | / \$ _____ |
| (e) Other (explain): | / \$ _____ |
| (2) Total number of Contracting Officer Final Decisions: | _____ |
| (a) Number of Default Final Decisions: | _____ |
| (b) Number of Excess Reprocurement Cost/LDs Final Decisions: | _____ |
| Dollar Value of Demands made: | \$ _____ |
| (c) Number of Final Decisions on Claims: | _____ |
| Dollar Value of Claims: | \$ _____ |
| (d) Other (explain): | _____ |

TERMINATIONS

Furnish the following information regarding defaulted contracts that are not closed out:

(ACTIVITY'S NAME) TERMINATION STATUS REPORT FOR FY ____

- (1) Defaulted contract number and date of award.
- (2) Contract completion date of defaulted contract.
- (3) Final Decision Number (Default) and date.

- (4) Method of completion (e.g., Takeover Agreement, competitive negotiations, sealed bids, station forces).
- (5) Date defaulted work was completed.
- (6) Date of field office completion report.
- (7) Final Decision Number (Demand) and date
- (8) Dollar value of excess reprourement costs/LDs.
- (9) Date demand file forwarded to NAVCOMPT for collection action.

DISPUTES RESOLUTION BOARD (DRB)

(ACTIVITY'S NAME) ANNUAL DISPUTES RESOLUTION BOARD REPORT FOR FY ____

- | | |
|---|----------|
| (1) Total number of claims addressed by the Disputes Resolution Board (DRB) | _____ |
| (2) Total dollar value | \$ _____ |
| (3) (a) Number negotiated by the DRB | _____ |
| (b) Negotiated amount | _____ |
| (4) (a) Number resolved by final decisions | _____ |
| (b) Dollar value awarded by final decisions | \$ _____ |
| (c) Dollar value of claims denied | \$ _____ |
| (d) Number of claims appealed | _____ |
| (e) Dollar value of appeals | \$ _____ |
| (5) (a) Number remanded to field for negotiations | _____ |
| (b) Number negotiated | _____ |
| (c) Dollar value of negotiations | \$ _____ |
| (d) Number withdrawn by contractor | _____ |
| (6) (a) Number not resolved | _____ |
| (b) Dollar value of not resolved | \$ _____ |

ANNUAL ALTERNATIVE DISPUTES RESOLUTION (ADR)

(ACTIVITY'S NAME) ANNUAL DISPUTES RESOLUTION BOARD REPORT FOR FY ____

- | | |
|--|----------|
| (1) Number of appeals docketed during fiscal year: | _____ |
| (2) Number ADR offered | _____ |
| (3) Number ADR accepted | _____ |
| (4) Number of ADR actions completed | _____ |
| (5) Number of ADR actions continued to following Qtr | _____ |
| (6) Total value of appeals | \$ _____ |
| (7) Value of entitlement determined by ADR actions | \$ _____ |
| (8) Other information regarding past or current ADR actions: | _____ |

A-E LIABILITY PROCESSING LOG.

EFDs/EFAs shall maintain their A-E actions current and that of their subordinate contracting activities (i.e., PWCs, ROICCs, PWDs) for all type contracts with quarterly updates being telecommunicated to the NAVFAC Acquisition Proponent for oversight and reports to higher authority.

UTILITY REPORTS.

A single yearly summary report shall be prepared by the following categories: electricity, gas, water, sewage and miscellaneous for all actions in the Continental United States and for all other actions. If billings not received by report date, an estimate will be made for that period.

Due Date: 30 November of each year.

MINIMUM CONTRACT QUALITY ASSURANCE TRAINING (MCQAT) REPORTS.

EFDs/EFAs shall maintain their QA training data current and that of their subordinate contracting activities (i.e., PWCs, ROICCs, PWDs) for all type of contracts with quarterly updates being telecommunicated to the NAVFAC Acquisition Proponent for monitoring the status of QA personnel training. The MCQAT automated database program shall be used for identifying training deficiencies, monitoring the status and telecommunications training updates to NAVFACENGCOM.

SUMMARY OF CHANGES
TO
NAVFAC CONTRACTING MANUAL, P-68

The November 1998 edition is a complete reissue of the NAVFAC Contracting Manual, P-68. It includes P-68 Acquisition Circulars PAC 97-01 and PAC 97-02.

The following is a summary of changes that have been made subsequent to issuance of PAC 97-02:

All references to “Contracts Support Directorate” changed to read “Acquisition Proponent”.

All references throughout P-68 to publications/manuals listed in Appendix B changed to read the title of the publication/manual (Appendix B deleted).

All references to "Part 4 reporting requirements" changed to read "See Appendix A for reporting requirements".

Prescriptions for referenced solicitation provisions/contract clauses revised, as applicable.

COVER SHEET

Date changed to “NOVEMBER 1998”.

FOREWORD

Added "...and other applicable guidance..." to second paragraph. (reference to manuals/publications/guidance deleted from Appendices)

Changed date from “March 1994” to “October 1996” in third paragraph. Fourth paragraph revised.

TABLE OF CONTENTS

Revised to reflect changes made to P-68

PART 1

1.601-100(a) – added "...under the DoD Base Realignment and Closure Program."

1.601-100(c) – deleted "...public/private ventures."

1.602-1(1) – changed “Commanding Officer, Naval Construction Battalion Center” to read “Officer in Charge, Seabee Logistics Center”

1.602-2(2)(i)(B) – changed “Must have completed the course CTC-343...” to read “Must have completed an approved course...”.

1.602-2(2)(iii) – deleted “and review the performance of duties during Performance Measurement and Assistance Program on-site visits”

1.602-2(3)(i) – deleted last sentence “Sample appointment letters are provided in Appendix B-16”.

1.602-2(3)(iv) – changed “P-68 Appendix B-178 for A-E QA personnel” to read “CTC-423 and CTC-466, as applicable.”

1.602-2(3)(v) – changed “...by annually reviewing the records of at least 1/3 or assigned COTRs” to read “...by annually reviewing at least 1/3 of the records of COTRs.”

1.602-2(3)(vi) – deleted. SECNAVINST 4205.5 cancelled. Subparagraphs (vii) and (viii) renumbered to read (vi) and (vii) respectively.

1.602-2 (NAPS) Responsibilities – renumbered this section to 1.602-1 (NAPS) to align with NAPS change. “BAFO requests” in subparagraph (1) deleted.

1.603-2 – Added SAP warrant requirements to chart (experience – 6 months; education - per DAWIA, Training – CON 237, Duties – Over 25% of time spent performing procurement functions).

1.603-2 - changed course numbers and titles.

CON 103	to	CON 101
CON 106	to	CON 104
CTC 366	to	CON 243
CTC 343	to	CON 244
CON 201	to	CON 210
CON 223	to	CON 202
CON 231	to	CON 204

Added the following courses:

Level I	CON 323, Environmental Contracting
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Added “Notes” for courses:

“(2) CON 237 is an assignment specific course. Whenever practical, acquisition personnel should attend this course prior to performing pre- and post-award contracting functions using simplified acquisition procedures. Successful completion of this course is required prior to obtaining a SAP warrant.

(3) CON 243, CON 244, CTC 323 and CTC 337 are assignment specific courses. Whenever practical, acquisition personnel should attend these courses prior to being assigned to pre-and post-award contracting functions for architect-engineer, construction, environmental and facilities support contracts.”

1.603-3(4) – Added SAP warrant. Changed Level I warrant level to \$500,000.

1.603-3(5) – Added new (iii) “The SAP warrant is restricted to those acquisition personnel performing pre-and post-award contracting actions utilizing FAR Part 13 simplified acquisition procedures.” Renumbered subparagraphs (iii) through (vii) to read (iv) through (viii) respectively.

1.691-1 – Renumbered 1.691-2. Added subparagraph (f)(2) regarding annual PMAP reporting requirement.

PART 2

Changed “CONSTRUCTION” to read “CONTRACTS”

PART 4

4.670, 4.670-7 and 4.670-7-100 deleted. This Subpart of the FAR deals with contract reporting (i.e., 350 and 1057 reporting) and not reports in general. Since sufficient guidance is covered in DFARS/NAPS as far as DD 350 and DD1057 reporting is concerned, this coverage has been deleted from the P-68. Report Format Matrix moved to Appendix A.

4.804-5(2) – deleted contract closeout reporting requirement.

PART 5

5.205(d)(i) – changed “...notice to large firms that a subcontracting plan is required to be submitted with the SF 255” to read “...notice that any large firms that are short-listed will be required to submit a subcontracting plan prior to being interviewed.”

PART 6

6.304 – Revised J&A approval levels for clarification purposes.

PART 7

7.103(h) – Changed to read “7.103(c)(i) Written acquisition plans meeting the thresholds delineated in DFARS 207.103 shall be submitted to the NAVFAC Acquisition Proponent for approval”.

PART 8

8.7003-1 – deleted “NAVFAC Code 134”

PART 9

9.507-2 – revised to add subparagraphs (a) and (b) to reflect prescriptions for basic clause and ALT I.

PART 11

11.502(8) – Changed to read “...and Safety Standards Act (CWHSSA) LDs and again upon the issuance of the final order affirming the assessment of the CWHSSA LDs. LDs for labor violations are assessed in accordance with DFARS 22.302.”

PART 12

To more properly align with FAR, deleted Subpart 12.3. Added Subpart 12.4 Unique Requirements Regarding Terms and Conditions for Commercial Items. Added 12.404 Warranties. Added 12.404-100 NAVFAC contract clause. Renumbered 12.301-100 to read 12.404-100. Changed clause 5252.211-9300, Commercial Warranty, to read 5252.212-9300.

PART 13

Added new Subpart 13.3 – Simplified Acquisition Methods. Added 13.301 Government-wide commercial purchase card. Included verbiage regarding mandatory use of the Government-wide commercial purchase card for micropurchases for services and construction and authority level for waivers (from Policy Letter 97-51).

PART 14

14.201-6-100(a)(2) – changed to read “Use Alternate I with the basic provision when the performance period is less than 12 months.” Added (a)(3) “Use Alternate II for combination firm fixed-price indefinite quantity facility support service contracts when the firm fixed-price portion will satisfy the minimum guarantee”. (Note: See Part 52 for provision changes)

14.208 – deleted in its entirety. Contracting officer may determine whether an extension of bid opening date is required.

14.404-1 – new subparagraph (f)(1) added (text moved from Part 15 as a result of FAR Part 15 change)

PART 15

Entire part revised as a result of FAR Part 15, proposed DFARS Part 15 and NAPS Change 6. Major changes:

- 15.103 Converting from sealed bidding to negotiation procedures – moved to 14.404-1(f)(1).
- 15.612(b)(2) (**renumbered 15.303(b)(1)(A)**) – on line 2, changed "will" to read "should".
- 15.612(b)(3) (**renumbered 15.303(b)(2)(B)**) – on line 2, changed "will" to read "should".
- 15.612(d) (**renumbered 15.308**) – added "...as documented in the SSA selection decision" at end of paragraph.
- 15.403-100(g) deleted.
- 15.611 Best and final offers (BAFO) - deleted.
- 15.804-100(d) (**renumbered 15.403-100(d)**) – changed "under \$100,000" to read "is over \$100,000 but does not exceed \$500,000,
- 15.804-100(d)(2) (**renumbered 15.403-100(d)(2)**) – changed "6 months" to read "one year".
- 15.805-1 General – deleted.
- 15.805-5-100 Contract award – deleted.
- 15.902 (**renumbered 15.404-4(c)**) – added "The profit determination must be structured and supported in the business clearance or price negotiation memorandum."

PART 16

16.403 - changed to read “16.404 (DFARS) Fixed-price contracts with award fees”. (DAC 91-13).

16.504-101(a) – changed “The contract amount is...” to read “The contract amount shall be...”

16.504-101(d) – deleted in its entirety (reference to facilities support indefinite quantity contracts guide).

16.504-102(b) – changed “The contract amount is...” to read “The contract amount shall be...”

16.504-102(c) – changed “...minimum guarantee is satisfied by funding at time of award the base year FFP portion...” to read “...minimum guarantee can be satisfied at time of award with the base year FFP portion...”

16.505(a)(i) – changed “1.603-100” to read “1.602-2”.

16.506-100(g) – revised to add subparagraphs (1) and (2) to reflect basic clause and ALT I.

PART 17

Deleted Subpart 17.1 in its entirety. Adequate coverage in FAR/DFARS.

17.202-100(b) – changed to read "Remedial Action Contracts (cost type only) and Solution Order Contracts (SOC) may contain a base year and up to four option years. NAVFAC Acquisition Proponent approval is required to exceed four option years".

17.202-101(b) – changed "...two option years..." to read "...four option years..."

17.502(1)(ii) – changed "...and the Acquisition Proponent Director. No further redelegation is authorized." to read "...and the cognizant responsible NAVFAC SES Area Functional Manager."

PART 19

19.704 – changed "...in Block 10 of the SF254. The subcontracting plan is required to be submitted with the SF-255." to read "All unrestricted synopses for contracts exceeding \$500,000 shall include a notice that any large business firms who are short-listed will be required to submit a subcontracting plan prior to being interviewed".

PART 22

22.101-100 – Deleted in its entirety. Clauses 5252.222-9301, Investigation of Labor Conditions; 5252.9302, Minimum Wage Rates; and 5252.222-9304, Rates of Wages deleted from Part 52 (no longer required).

22.404-100(d) – added "and Solution Order Contracts" after Remedial Action Contracts (cost type only). In the Table, under IDT construction contracts, changed term to read "Base year + up to 4 option years". Added line for SOC with a term and wage determination same as for RAC (cost type).

PART 25

Subpart 25.6 deleted in its entirety. Clauses 5252.225-9301, Australian Standards and 9302, Australian Import Duties, deleted from Part 52 (no longer required).

PART 28

Subpart 28.1 changed to read "Bonds and Other Financial Protections"

28.102-3 – Changed "Solicitation requirements and contract clauses" to read "Contract clauses" (FAC 97-1).

28.102-3-100 – Revised to add subparagraphs (a), (b), (c) and (d) to reflect prescriptions for basic clause, ALT I, ALT II, and ALT III.

PART 29

29.402-100(a) and (b) – deleted in their entirety. Clauses 5252.229-9300, Refund of Taxes Already Paid and 9301, Sales Tax, deleted from Part 52 (no longer required). Subparagraphs (c) and (d) renumbered (a) and (b) respectively.

PART 32

32.111-100 – added subparagraph (b) to include prescription for new clause 5252.232-9301.

32.705 Contract clauses and 32.705-100 NAVFAC contract clause – added to include prescription for new clause 5252.232-9302.

32.805(d) – changed “1.602-2” to read “1.602-1”.

PART 33

33.9001(a)(i) – changed "Final Decisions of less than \$1,000,000" to read "For claims of less than \$1,000,000".

PART 36

36.201(a)(1) changed "...for contracts of \$25,000 or more" to read "...for contracts or task/delivery orders of \$25,000 or more".

36.201(a)(2) deleted. 36.201(a)(3) renumbered 36.201(a)(2).

36.202-100 – deleted “per NAVFACINST 4804.1H”. Not listed on the NAVFAC Intranet as a current instruction.

36.601-3-100(f) – changed “price negotiation memoranda” to read “business clearance”.

36.602-1(a)(6) – changed "The A-E's quality control program" to read "The architect engineer firm's experience in sustainable design and their quality control program shall be evaluated during selection."

36.602-2(a)(iii) – changed "completed course CTC-366)" to read "experience serving on A-E selection boards".

36.602-2(a)(iv) – deleted in its entirety. (Note: DFARS eliminated 3-member requirement)

36.602-3(c)(v) – deleted last two sentences.

36.602-5 – changed “Authority to utilize the short processes...” to read “Contracting officers are authorized to use the short selection processes...”

36.607 – Reference changed to read “11010.51H”.

PART 37

37.205 – deleted in its entirety.

37.206(c) – changed “Code 91” to read “Financial Management Proponent”.

37.3100(a) – revised references.

37.100 – entire subpart changed as a result of inclusion of FAR 37.6, Performance Based Contracts. Renumbered to correspond with this Subpart.

37.1000-2 – Renumbered 37.6100-3.

37.1000-3(a) thru (d) – Renumbered 37.6100-4. Subparagraphs (a) thru (d) and revised to reflect CPARS requirements.

37.1000-4 renumbered 37.6100-5. Added new subparagraph with clause prescription for 5252.237-9300, Schedule of Deductions (renumbered from 5252.246-9300). Change made to properly align the clause with text on Schedule of Deductions in P-68. Renumbered subparagraphs (a) and (b) to read (b) and (c).

PART 42

42.1502(b) – changed “37.1000-3” to read “37.6100-4”.

42.1503 – performance evaluation procedures revised.

PART 43

43.102-100(a)(iv) – deleted “..., with the exception of construction contracts and architect-engineer contracts (see FAR 36.203 and 36.605)”.

PART 46

46.202-100(a) – changed “...Guide Specification 01400 or short form 01400” to read “...Guide Specification 01450 or short form 01450”.

Subpart 46.3 changed to read “Subpart 46.4 Government Contract Quality Assurance”. Added “46.407 Nonconforming supplies or services”. 46.3100 changed to read “46.407-100”. Change made to properly align P-68 with FAR.

PART 48

Added new “Subpart 48.2 Contract Clauses”. Added new “Section 48.201 Clauses for supply or service contracts”. Added new subparagraph (b) and text to advise readers of NAVFAC approved DEVIATION to FAR Value Engineering clause 52.248-1 for use in BOS contracts.

PART 50

Added new “Subpart 50.1 – General” and Section “250.104 (DFARS) Reports. Sentence added to refer reader to Part 4 for reporting requirement (Note: existing requirement for report “Contingent Liability Report” changed to read “Extraordinary Contract Actions Report”. DFARS 250.104 describes reporting format).

PART 52

New clauses 5252.232-9301 and 9302 added.

Prescriptions for various provisions/clauses revised.

Specific changes to provisions/clauses:

5252.211-9300 – renumbered 5252.212-9300. (commercial item coverage in Part 12 of FAR)

5252.214-9300 – Subparagraph (b) of basic provision broken out to reflect it as ALT I. ALT II changed to read ALT II.

5252.215-9300 – revised. Subparagraph (b)(1) – deleted “Bid Guarantee” since this provision is for facilities support service contracts. Subparagraph (d) – subparagraph (2) deleted since FAR clause 52.215-19 is no longer used.

5252.216-9303 – ALT I revised to read “The contract minimum is \$ *(insert amount)*. The contract maximum annual total is \$ *(insert amount)*.”

5252.216-9306 – revised. Subparagraph (c) – “DD Form 1155” changed to read “a SF 30”.
5252.216-9313 ALT I – changed to include “ALT I” after title of clause 5252.216-9300.

5252.216-9315 ALT I – prescription and clause revised for clarification purposes.
5252.217-9300 – Last sentence deleted. Not required to be in clause.

5252.222-9301, 9302 and 9304 deleted. No longer required.

5252.225-9301 and 9302 deleted. No longer required.

5252.229-9300 deleted. No longer required.

5252.232-9301 and 9302 added.

5252.236-9303 revised. Subparagraphs (a) and (c) deleted since they are covered in FAR clause.

5252.246-9300, Schedule of Deductions – clause number changed to read "5252.237-9300".

APPENDICES

Appendices B (List of Manuals) deleted from P-68. Referenced manuals and publications will be included in the "Resources" section of the NAVFAC Intranet.

Appendix C (A-E Design Deficiencies: Criteria for Establishing and Processing Possible A-E Contractor Liability) deleted from P-68.

Appendix C (A-E Design Deficiencies: Criteria for Establishing and Processing Possible A-E Contractor Liability) deleted from P-68.

Appendix D (NAVFAC Report Requirements) renamed Appendix A.

Moved Report Format Matrix from Part 4. Revised references and due dates.

Combined Claims, Terminations, DRB and ADR reports into one report. Changed due date for this report to 15 November. Changed PMAP Schedule Report due date to 30 August.

Deleted DD 350 and DD 1057 reporting requirement since it is already covered in the DFARS/NAPS.

Deleted Contract Closeout Report requirement.

Changed “Contingent Liability Report” to read “Extraordinary Contract Actions Report”.
Changed due date for this report to 15 December.

Searching the P-68 with the Adobe Acrobat Reader

Use the Find command to search the P-68 for a part of a word, a complete word, or multiple words.

To find a word:

1. Click the find tool (set of binoculars), or choose Tools > Find.
2. Choose any combination of the following options, or none of them:

Match Whole Word Only specifies ignoring words that are contained within the text you enter. For example, the word "contract" would not be highlighted if you chose the word "contracting" to find.

Match Case specifies finding only those words that contain exactly the same capitalization as you enter in the Find dialog box.

Find Backwards specifies starting from the current page and searching backwards through the file. Find Backwards is helpful if you want to find a term you passed earlier in the document.

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4. To find the next occurrence of the word, press Ctrl (Windows and UNIX) or Command (Macintosh) +G, or reopen the Find dialog box and click Find Again. With Windows, pressing F3 also finds the next occurrence of the word. You will be prompted to loop around to the beginning of the document if you start the process on any page other than the first page.